How to Start a Spa or Salon in Ontario

Last Verified: 2009-10-01

This How-to guide provides information on license, permit or registration requirements when considering the establishment of a Spa or Salon Business in Ontario.

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1. Basics To Getting Started

Starting a business can be a rewarding undertaking, but it comes with its challenges. Before starting a business in Ontario, it is wise to do your research. There are several issues to consider such as regulations, financing, and taxation, managing your business, advertising and much more.

For further information:
see the documents:
- Business Start-Up Info-Guide
- Financing for Starting a Business Info-Guide
- Taxation Info-Guide
- Employment Regulations Info-Guide
- Business Regulations Info-Guide

2. Industry Overview

Personal care providers, which include hair and esthetic salons, spas and the like, accounted for about 43% of the industry's total earnings. These establishments earned about $3.5 billion in 2003, up from $3.2 billion in 2002 and $2.9 billion in 2001.

The Spa and Esthetics industry in Canada is experiencing tremendous growth. According to the ISPA 2004 Spa Industry Study it was estimated that there were approximately 2,100 individual spas in Canada. Over 40% of Canada’s spas are located in Ontario, followed by 19% of the spas located in British Columbia. For 2003 the average number of spa visits was 20.2 million. In 2003, the Canadian spa industry employed an estimated 33,200 people; 20,442 full time, 7,075 part-time and 5,673 contract staff.

The driving force behind the tremendous growth is raising consumer demand. Primarily the aging “Baby Boomers”, the largest single generation in the history of mankind is driving this growth. The Boomers are now entering there 40's and 50's and are willing to spend whatever it takes to preserve their youthful looks and to prevent premature aging. As a result Esthetics is a profession that is growing rapidly—not just in North America but also worldwide- and skilled, reliable, well-educated Professional Estheticians are in high demand. The importance of an attractive personal appearance is recognized more than ever in the world today.

For further information:
visit the web site: Statistics Canada - Personal Services Industry

Types of Operation

In establishing a beauty salon, the range of services to offer may vary. You can choose to cut hair only, or may choose to include other services like nail care and skin care (facials and make-up, hair removal). Some even offer sun tanning, sell some products or have a spa in their beauty salon. The steps for opening a beauty salon are the same for one service as they are for many services.
There are many different kinds of personal care service businesses. The following are examples of such services:

**Beauty Salons** are establishments primarily engaged in providing hair care services to women, providing esthetic services such as manicures and pedicures, makeup applications, facials and skin treatments, hair removal or a combination of these services.

**Unisex Hair Salons** are establishments primarily engaged in cutting and styling men’s or women’s hair. Establishments that combine hair care services for men or women and esthetic services.

**Other Personal Care Services** include establishments primarily engaged in providing personal care services. Colour consultants, estheticians and tanning salons are considered part of this group.

**Massage or massotherapy** is the manipulation of muscle and connective tissue to enhance function of those tissues and promote relaxation and well-being.

Before opening your business, you will also have to decide which type of operation you would like. You may choose to operate your business under a franchise or as a non-franchise.

If you choose a franchise, you have to follow directives from the parent company and go with the options they offer for types of services, products, etc.

### 3. Regulations

**Business Regulations Info-Guide**

This document will assist you in navigating federal, provincial and municipal regulations that apply to a number of industries and businesses.

For further information:

see the document [Business Regulations Info-Guide](#)

**Tanning Salons**

Health Canada regulations specify requirements for tanning equipment. A summary of the federal [Radiation Emitting Devices Act](#) and [Radiation Emitting Devices Regulations](#) for tanning equipment is available from the web site.

For further information:

visit the web site: [Guidelines for Tanning Salon Owners, Operators and Users](#)

**Massage Therapy**

The Massage Therapy Act (1991) is enforced by the government of Ontario’s Ministry of Health and Long Term Care which regulates requirements for massage therapy.

For further information:

call 1-800-268-1154

visit the web site: [Massage Therapy Act, 1991](#)

**Other Regulations and Requirements**

- [Health Canada](#)
- [Cosmetic Regulations](#)
- [Cosmetics Program](#)
- [Food and Drugs Act](#)

### 4. Financing

**Financing for Starting a Business Info-Guide**

This document is designed to help you navigate through the federal and provincial government programs available to individuals starting a business in Ontario.

For further information:

see the document: [Financing for Starting a Business Info-Guide](#)

**Apprenticeship Training Tax Credit (ATTC)**

This refundable tax credit is available for employers operating unincorporated businesses which employ apprentices in certain skilled trades during the first 36 months of an apprenticeship program.

For further information:

call 1-800-387-5656

visit the web site: [Apprenticeship Training Tax Credit (ATTC)](#)
5. Employing People

Employment Regulations Info-Guide

This Info-Guide is designed to help you navigate through the federal and provincial government regulations on employment. Although many of your questions will be answered here, the list of regulations given in this document is not exhaustive.

For further information:
see the document: Employment Regulations Info-Guide

Staff Training

Some of your staff might need to register with a provincial and territorial Apprenticeship Program. This means, that after completion of specific training, the employee will need to acquire a number of hours of "on-the-job experience" before getting a certification.

Apprenticeship programs are generally administered by provincial and territorial departments responsible for education, labour and training (under the direction of the provincial or territorial Director of Apprenticeship) with authority delegated from the legislation in each province and territory.

Staff may need to acquire a "Red Seal". A "Red Seal" allows qualified tradespersons to practice the trade in any province or territory in Canada where the trade is designated without having to write further examinations.

For further information:
visit these web sites:
The Canadian Council of Directors of Apprenticeship (CCDA)
Interprovincial Standards "Red Seal" Program

Besides attending schools and professional training courses, much can be learned through on-the-job training and by attending conferences. Staff training can be provided through seminars, styling contests or trade shows. It might also help to maintain a library of resource materials such as magazines on latest trends or products, and health research for tanning salons.

Offer training for your staff in: first aid, injury prevention and sales techniques.

College of Massage Therapists of Ontario

The College is dedicated to excellence in protecting the public, serving its members, and promoting the highest possible quality of the practice of massage therapy in a safe and ethical manner.

For further information:
visit the web site: College of Massage Therapists of Ontario

Massage Therapy Program Standard

The Ministry of Training, Colleges and Universities (MTCU) should be contacted to determine any regulations presently governing this trade.

For further information:
please call 416-326-5656
visit the web site: Massage Therapy Program Standard

Internationally Trained Massage Therapists

To practice massage therapy in Ontario, you must obtain a Certificate of Registration from the College of Massage Therapists of Ontario (the College). The College under the Massage Therapy Act and the Regulated Health Professions Act sets all registration requirements. You cannot practice as a massage therapist unless you are registered with the College. Only the College of Massage Therapists, the provincial regulatory body, can register Massage Therapists.

For further information:
visit the web site: College of Massage Therapists of Ontario

Elmcrest College

Established in 1976 this college provides training in courses such as Massage Therapy, Esthetics and Spa Management.

For further information:
visit the web site: Elmcrest College

6. Managing Your Operation

Providers of personal care services may be home-based, practice from an office or spa-like environment, or take their business directly to the client at their home or office (for example, chair massages in the workplace); or even a combination of these.

Public Place (e.g., salon or spa)
A commercial establishment offering a product or service. The benefits of owning such an establishment may include a wider scope of advertising, the possibility of offering numerous specialized services at one location, the sharing of overhead and advertising costs.

**Home-Based Business**

A business operated out of your home may be an approach to try out an idea at as minimal cost as possible to see how the idea develops. There are still steps to take and regulations to follow; a list of pros and cons should be written down and considered for each situation.

**On-site (or mobile)**

Some stylists, whether they work with make-up, hair, nails or other personal services, may enjoy the on-site environment of working at such places as photo studios, old-age homes/hospitals, theatres, TV or film sets, modeling runways or home parties.

**For further information:**

see these documents:

- Home-Based Business
- Questions to Ask Before You Sign a Lease
- Store Location - "Little Things" Mean a Lot

**Furnishings and Equipment**

Before you open your business, you may need specialized equipment. The kind of service you are offering will determine the type of equipment you will require. For assistance in this area, you may get the advice of a sales representative or consult trade publications and manufacturers' web sites. List that equipment and its cost to you. An important factor to consider when choosing equipment is the after-sales service and repair and their affordability.

**Used Equipment** - Consider buying used equipment as a cost-saving measure. Sources of used equipment could be similar businesses that are closing or dealers in second-hand equipment. The drawback to this approach is that, often, there are no guarantees with the purchase.

7. **Associations**

Examples of associations include, but are not limited to:

- Canadian Federation of Aromatherapists
- Leading Spas of Canada
- Canadian Cosmetics Careers Association
- Canadian Cosmetic, Toiletry and Fragrance Association
- Esthétique SPA International
- International Spa Association
- Federation of Canadian Electrolysis Associations

8. **Other Resources**

**Infection Prevention and Control Practices for Personal Services: Tattooing, Ear/Body Piercing, and Electrolysis**

The purpose of the guidelines is to describe infection prevention and control practices for personal services, including tattooing, ear/body piercing, and electrolysis.

**For further information:**

visit the web site: Infection Prevention and Control Practices for Personal Services

**Canadian Spa Industry and Consumer Research Survey**

The Leading Spas of Canada first ever Canadian Spa Industry and Consumer Research Survey. Conducted by Dr. Mary Tabacchi, Cornell University, this 2003 study profiles the Canadian spa consumer, the Canadian spa product and services of day spas and destination/resort spas.

**For further information:**

visit the web site: Canadian Spa Industry and Consumer Research Survey

Need more information?

Click: Canada-Ontario Business Service Centre

Call: 1-888-576-4444

Visit: our Regional Access Program Locations page to locate an office near you

Some of the organizations listed above are not subject to the federal Official Languages Act or the French Language Services Act of Ontario. Their services may not be available in both official languages.

Related Reading

- How to Start an Alternative and Complementary Healthcare Business in Ontario
- Business Guides