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Supply Chain Issues in Ontario Impacting Concrete Ordering & Deliveries

The ready mixed concrete industry in Ontario has been experiencing unprecedented challenges when it comes to the supply of the raw materials required to produce concrete in 2022. The demand for construction materials remains at an all-time high, both in Ontario and in the adjacent provinces and states that we border, and global supply chain issues, combined with equipment and labour shortages, are having a very detrimental impact on our industry's ability to meet all the concrete needs in the Ontario marketplace.

Concrete production challenges were first experienced by the industry in March when an illegal blockade of aggregate pits and quarries significantly impacted the availability of concrete aggregates in the Greater Toronto Area, resulting in multiple concrete plant shutdowns over a two-week period. In May, additional unplanned issues were experienced at two different cement plants servicing the Ontario marketplace resulting in production delays to implement the repairs required, and concrete producers were placed on cement allocation, since the demand for cement was exceeding the ability of the cement plant's capability to supply.

Since raw material supply constraints may continue throughout the remainder of 2022, Concrete Ontario strongly encourages the entire construction industry to work closely with their concrete supplier to address realistic supply schedules and to coordinate the deliveries of large concrete placements or placements with significant quantities of supplementary cementing materials (SCMs). This improved project coordination should include:

- Increasing the level of communication for specialty raw materials or high volumes of SCMs. Lead times are now often measured in **months** rather than **days** for specialty admixtures, fibers and colour.
- Coordinate with your concrete producer on a weekly basis for all critical path concrete placement items. These items should be scheduled with the concrete producer <u>at least 7 – 10 days in advance of</u> <u>the scheduled placement date</u>.
- Identify if the concrete plant has reduced service hours due to a lack of raw materials and if this will impact current construction schedules.

Open and clear communications will be required over the coming months to address the challenges that we all face together, but our experiences from the past two years have shown us that these short-term challenges can be addressed.

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