



**National Supply
Chain Office**

**Bureau national
de la chaîne
d'approvisionnement**



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Transport Canada

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Government
of Canada

Gouvernement
du Canada

Canada



Agenda

- 01** Canada's supply chains
- 02** The National Supply Chain Office
- 03** Observations and Learning
- 04** Looking ahead

Canada's supply chains

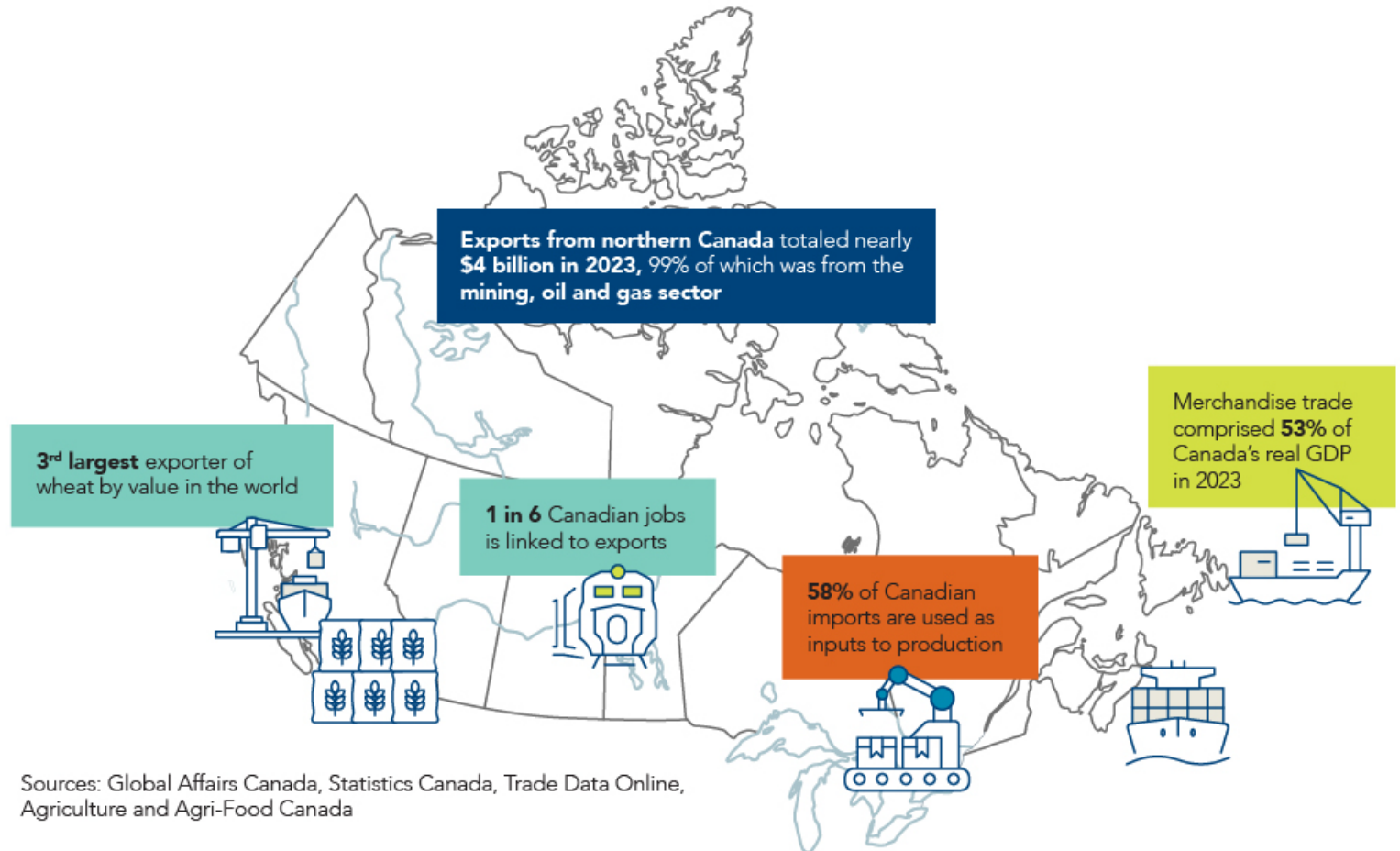
Global and domestic context



Canada's supply chains matter

Well-functioning supply chains are vital to the economy, jobs, and communities

- Economic growth and prosperity
- Safety and security of Canadians
- National security
- Global competitiveness
- Quality of life

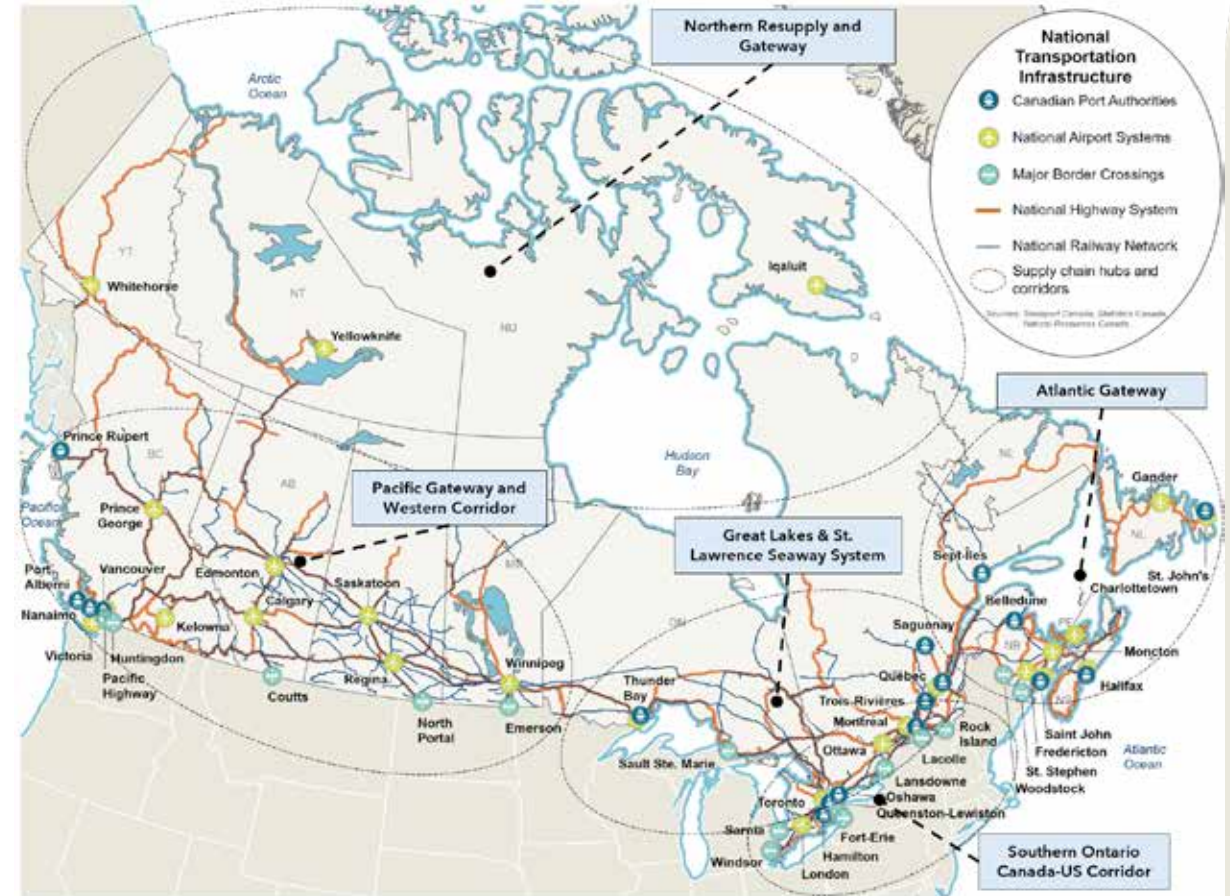


A vast nation with extensive access to global markets

Canada's transportation supply chains – roads, railways, waterways, airports, ports and borders and the people who operate them – connect us from coast to coast to coast and to the rest of the world

Canada's supply chain performance is influenced by many factors:

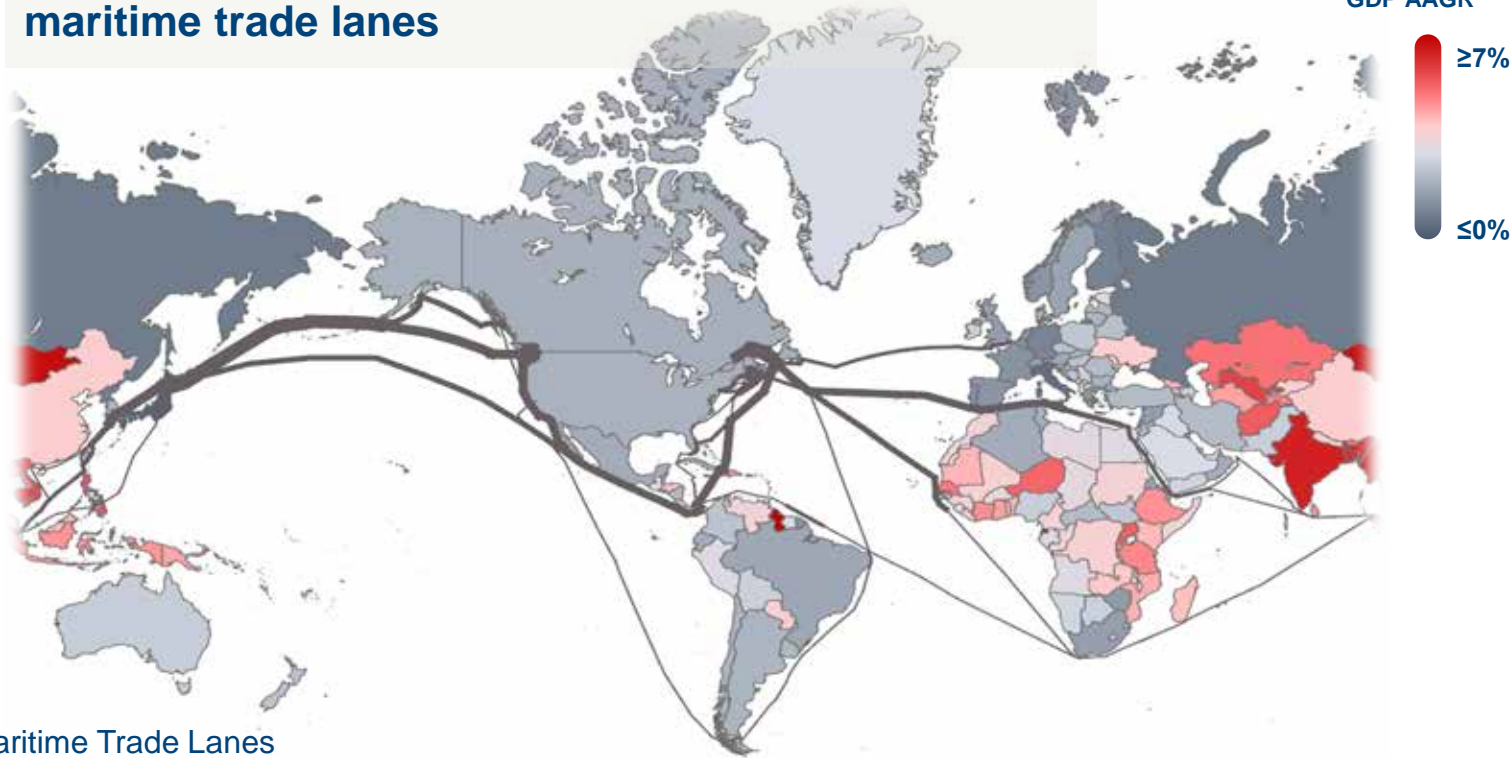
- Huge and complex geography
- Dispersed responsibility for infrastructure, assets, and operations
- Multiple hand-offs and coordination between operators
- Business decisions of domestic and foreign operators
- Federal and provincial/territorial oversight of different aspects of the system



The world needs what Canada has to offer

Changing demographic, economic and technological factors over the next decade will drive demand for Canadian resources

National GDP growth (2023-2033), with current maritime trade lanes



Canadian Goods Essential for Global Growth

Potash

Grain

Crude oil

Critical minerals

Chemical products

Automotive

Coal

Wood products

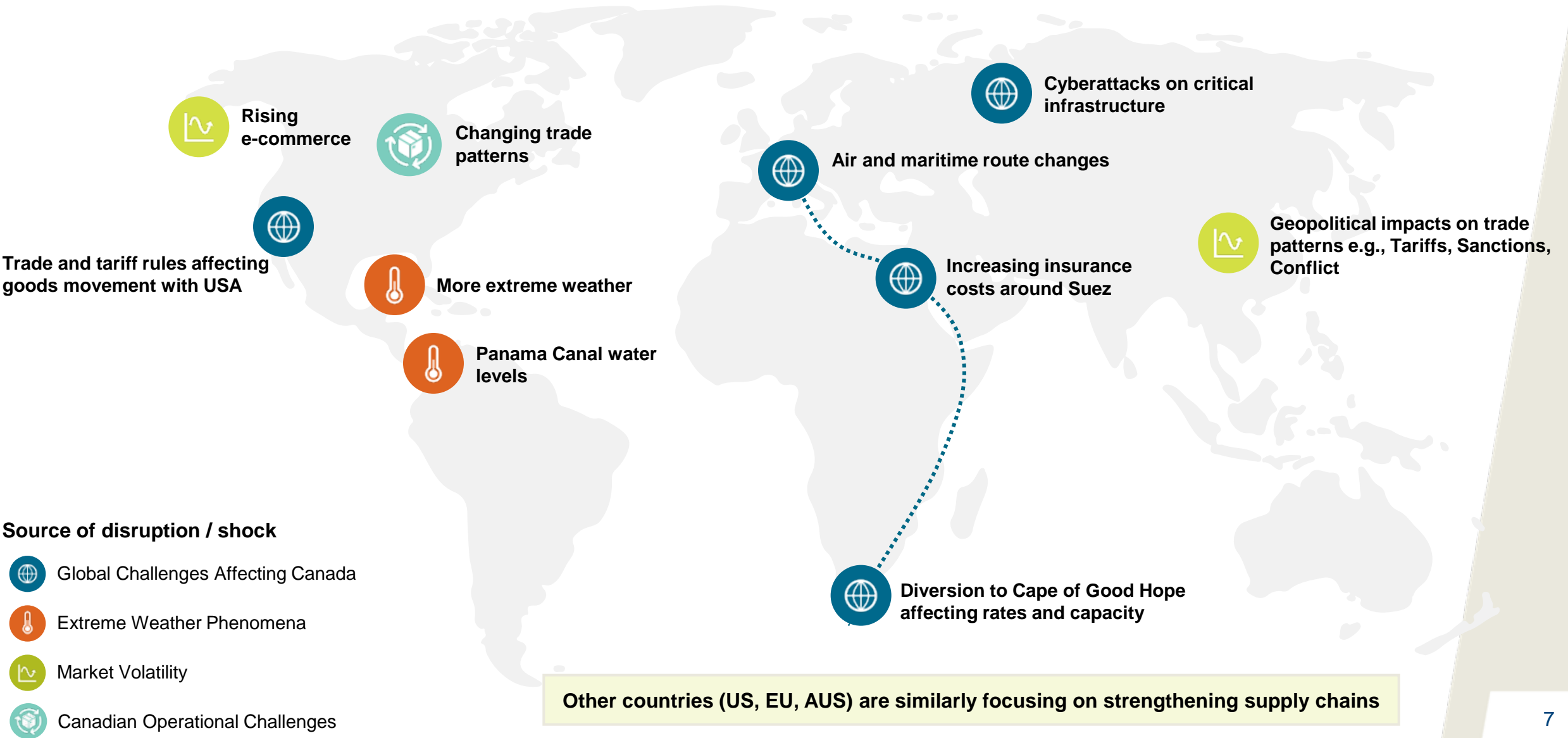
Refined energy

Iron ore

Esri, FAO, NOAA, USGS

It is a question of when, not if, future shocks / trends will drive change

The future needs a concerted, strategic, and forward-looking approach that brings parties together to strengthen resiliency and efficiency and build new routes.



The National Supply Chain Office

A federal focal point for strengthening
Canada's supply chains



The Path here

Significant and frequent global supply chain disruptions have exposed systemic challenges to supply chains and Canada is not immune



Early 2022: Industry Engagement

- Minister's National Supply Chain Summit (January 2022)
- Regional and sectoral roundtables (February – June 2022)



Spring 2022: National Supply Chain Task Force

- Examined issues affecting Canada's supply chains and recommended actions to improve their fluidity, efficiency and resiliency to support economic growth.



October 2022: Task Force Report

- 21 recommendations to strengthen Canada's supply chains.



Creation of the National Supply Chain Office

- Formally established in December 2023, with a five-year mandate.

Setting the foundations for long-term growth

Stakeholders have identified priorities and opportunities for strengthening Canada's supply chains

Trading nation

Capacity, reliability and resilience

Innovative and productive

Digitalization and tech adoption

Skilled labour

Regulatory frameworks

- A need to understand the current capacity of our systems and ensure there is sufficient capacity to meet future demand.
- Recognition that some infrastructure is aging or was not built for current volumes
 - Collaboration and integrated planning can improve the use and resilience of existing infrastructure and augment system efficiency.
 - Adoption of technology and digital tools can enhance performance.
- A need to consider how to ensure stable availability of skilled labour.
- A need to reduce barriers to investment and innovation.

Who we are

The National Supply Chain Office drives collaboration with industry, governments and other partners to make supply chains more efficient, fluid, resilient and reliable

Mandated to understand the **commercial and operating drivers that affect how commodities move within Canada and across borders**

Key areas of work:

- Identifying system-level constraints in supply chains and driving tactical solutions
- Mobilizing leading up to and during supply chain disruptions to share a common operating picture for response and recovery
- Driving alignment and coordination within and outside the federal family on supply chain issues

Operations

Data and
Solutions

Strategy and
Federal
Leadership



How we work with Industry Partners - Examples

NSCO supports and encourages efforts to utilize digital tools, and innovate to increase coordination and address system challenges

Example: Sharing of information to plan operations (including digital)



Seasonal Planning and logistics coordination across partners and modes – Industry example: Second Narrows Bridge

Example: Driving Innovation to load grain cargoes during rainfall



Innovations to improve terminal ability to load grain in the rain and reduce impacts on rail network

Example: Encouraged alignment of metrics / indicators



Common metrics / leading indicators across Canada's 5 container ports

Example: Convene as a focal point for information flows during disruptions



Improve decision making, recovery and resilience by providing a focal point for Gov / Industry during disruptions

Canada is a reliable trading partner and working to be even more so.

Focus example: Loading grain in the rain

Loading during rain will keep rail cars unloading, keep terminal storage fluid to minimize supply chain impacts and enable growth.

Ship Loader Attachments



Inflatable Canopy



Dust Concentration Sensors



Rain Monitoring



Observations

Some of what we are learning



Throughput and Capacity are not *just* about infrastructure

Capacity and service isn't guaranteed by infrastructure—it's shaped by how well labour, equipment, operations, demand, and incentives align in real time across multiple modes of transportation

Traffic

- Commodity type
- Volume, tonnage
- Car type mix
- Passenger mix
- Freight mix
- Train length
- Train velocity
- Ship size

Physical plant and equipment

- Terminals / Berths
- Ship loaders
- Alignment
- Elevation
- Grade
- Curvature
- Signals
- Method of train control / vessel control.

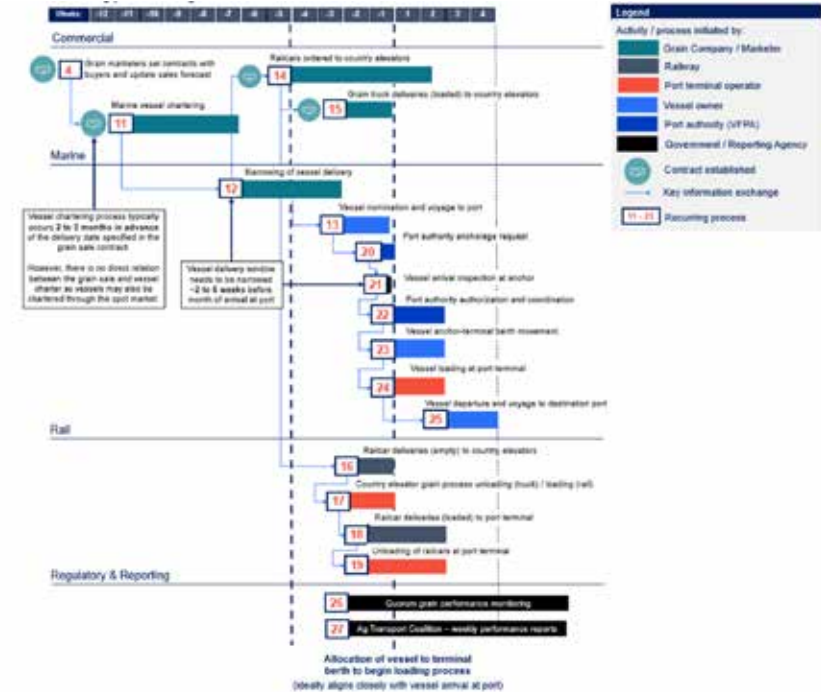
Capacity
 “The ability to move a specific amount of traffic over a defined element of a supply chain with a given set of resources under a specific service plan”

Operations

- Equipment characteristics – locomotives, railcars
- Crew change locations
- Marshalling
- First / last mile operations – i.e., switching activities
- Port schedules
- Maintenance

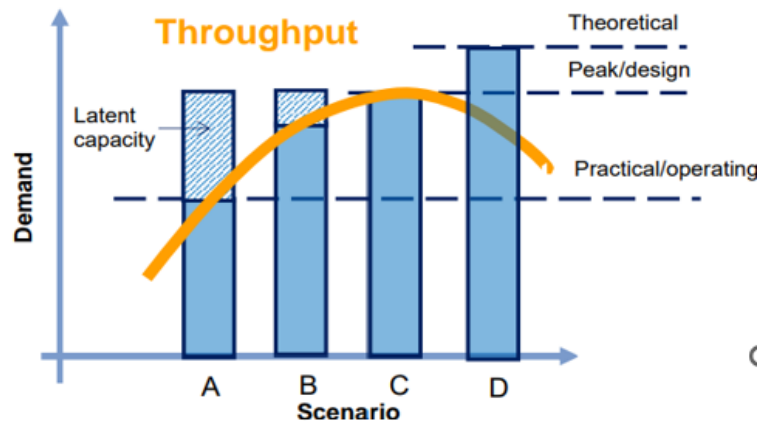
Environment

- Extreme cold, snow, ice, avalanches
- Rain, adhesion, slides, washouts
- Heat
- Wind, resistance, fuel
- Topography



What we see – Efficiency and adaptability need to be in balance.

- Capacity is added through multiple means.
- As efficiency and asset utilization increases it can hamper the ability of the system to be flexible and adaptable.
- During / following disruptions, or when new opportunities emerge, it becomes important to handle surges well.



Efficiency

- System efficiency / connectivity
- Predictable / stable volumes
- Asset utilization
- Disciplined capacity management
- Large, steady contracts

Adaptability

- Responsiveness to market and customer demand
- Resiliency
- Flexibility to change
- Growth / opportunity
- Pricing cycles, global volatility
- seasonality
- Surge capacity, adaptability

Operating environment

What we see - Importance of Metrics



The parable of the blind men and an elephant

Metrics matter and tell different stories / reflect different perspectives.

There is a need for a system level view to consider indicators and performance across users, modes and geography.

Looking ahead



Build and diversify Canada's supply chains

Harden existing routes, achieve resiliency / redundancy, build new routes

A foundation to diversify Canada's economy and grow trade, with implications for supply chains

Building and diversifying Canada's trade relationships

- Ø Defining a new economic relationship with the U.S.
- Ø Strengthening relationships with reliable global trading partners

Building a stronger Canada

- Ø Breaking down barriers to internal trade and labour mobility
- Ø Strengthening infrastructure and trade corridors
- Ø Advancing projects of national interest

Building a safer and more secure Canada

- Ø Strengthening border security

Building Canada Strong by spending less and investing more

- Ø Catalysing new investment

Next Steps for the NSCO



The Office will continue to:

- Inject insights to support broader federal planning and investment processes.
- Drive enhancements and tuning up the existing supply chain system by advancing digital tools, shared metrics, and better coordination within the supply chain, while actively socializing operational concepts to build alignment and readiness across the system.
- Deepen understanding of system capacity to unlock operational opportunities and guide smarter system design
- Support alignment of trade flows, transport networks, and industrial development, working within and across government and industry – recognizing that place, commodity, and timing matter.

Contact us – Contactez-nous



Feedback? Contact us at



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<http://canada.ca/supply-chain-office>



Commentaires? Contactez-nous au