

business class

Construction disruption

Farmer partners with Stack, aiming to revolutionize the building industry

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PHOTOGRAPHY LIA CROWE

It's fitting that the company responsible for many of Victoria's most iconic buildings finds itself at the forefront of the drive to "disrupt" the industry and revitalize the building sector.

Established in the late 1930s, Farmer Construction is a heritage brand and one of the oldest construction companies on Vancouver Island. Farmer has completed over 500 major construction projects since 1951. The company stands behind some of Victoria's most well-known buildings and landmarks, including Shoal Point, multiple buildings at the University of Victoria, the Vancouver Island Cancer Centre, the Royal Jubilee Diagnostic Treatment Centre, 989 Johnson, 1075 Pandora, Heron's Landing, The Juliet, The Wave @ Harris Green and Dockside Green.

And that's just to name a few.

"A great majority of our city's skyline has been built by Farmer, and this was a rare and unique opportunity to join a company that my parents grew up watching," says Matthew Clayton, who took over as the company's CEO earlier this year.

"I've always been involved in construction in one way or another over my career. I'm drawn to this field because construction and the housing crisis sit at the forefront of almost every single conversation we are having as citizens of this province. Construction evokes conversations and dialogues around our environment, the labour crisis and affordable housing."

He adds: "The opportunity at Farmer gave me the chance to do something local and to make an impact on the city I was born and raised in."



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Matthew's return to Victoria after holding corporate positions in Vancouver comes at a pivotal time in the company's storied history. Rising interest rates are raising questions and uncertainty in the construction industry. Talk of a recession is a dark cloud on the horizon, while inflation and the necessity for higher wages have proven to be stubborn headwinds causing challenges for developers across Canada.

Matthew says Farmer is in the fortunate position of having a strong pipeline of projects queued up until late 2028 with active projects including work with Victoria Housing Society, Starlight Developments, Nicola Wealth and the Department of National Defence. Despite the strong demand, however, the higher cost of borrowing is forcing projects that were modelled on lower borrowing to be carefully evaluated for their viability, he says.

“I tell my staff and colleagues that this is a time to hunker down and focus on execution and refining best practice. I do not align with the phrase, ‘if you aren't growing, you're dying.’ In uncertain times with increased volatility, it's important to take a step back and sometimes re-evaluate your business model,” he says. “For Farmer, we want to be the best employer to our people, who are always the most important part of success, and to be the best partner possible to our clients, industry colleagues and stakeholders.”

To that end, Farmer has begun a collaborative partnership with Stack Modular, a Canadian-based company headquartered in Vancouver, which has been shaking up the industry with its game-changing approach to building.

Stack Modular's offices across Western Canada and the United States work in tandem with manufacturing facilities in Shanghai, China to design, build, ship and install modular components that come together to form a truly astounding variety of construction projects, including healthcare facilities, government offices and residential areas.

The company has honed its design and manufacturing process over the past 13 years, establishing a proven track record of completed projects both large and small on the international stage. Standing as a symbol of this success is the company's recent work with BC Housing to build the tallest steel-modular building in Canada at 14 storeys.

Matthew says his decision to partner with Stack is as much about necessity as it is about efficiency. Few sectors are as vulnerable to labour shortages and supply chain disruptions as the construction industry.

Estimates released by CIBC chief economist Benjamin Tal in August of this year peg the job vacancy rate in construction at around 80,000 vacancies. Making matters worse are the looming retirements of many current employees, an inevitability that's expected to require the hiring of more than 300,000 workers by 2030,

according to BuildForce Canada.

“The data is clear. The construction sector is aging out, and we are not seeing these important jobs and trades being filled by the next generation,” he says. “If the housing demand and needs continue to increase, which they will, and industry and government do not evolve to embrace new ways of building, then how on earth can we expect to meet this crisis head on?”

The answer, according to Matthew, is disruption and change. It's an approach he likes to call Farmer 2.0.

“I see no choice,” he adds. “Modular construction, both with steel and wood, is simply a tool in the toolbox, if you will. It will not be applicable in every situation, but we have to embrace off-site construction here domestically and, additionally, we need to work with countries overseas that have the capacity to supply us here in Canada.”

“What other choice do we have? I have worked across dozens of industries, and it's hard to find anything that hasn't benefitted from technology or had to evolve to a higher level. Uber in transportation, Netflix in entertainment, Amazon in how we shop...and the list goes on. Globally, construction has seen its own degree of disruption, but I would argue to say that we have fallen behind other sectors.”

While Farmer will continue the approach to building that's made it what it is, Matthew says, the company has begun a collaborative partnership with Stack, and its staff will work closely with the company, from the project conception through to design, manufacturing and delivery. Matthew says the pairing forms a team that combines multiple levels of experience and disciplines, a cohesive partnership that will ensure on-time and on-budget execution for clients.

“It is succeeding and happening right here in our own province,” he says. “It has taken decades for this moment to arrive, and it gives me great hope that we are finally seeing alternative paths in the construction space.”

Industry watchers may balk at talk of building offshore but Matthew and many other proponents of the new method counter with the argument that modular construction keeps projects moving forward and employing skilled tradespeople required on site to assemble, plumb, wire and otherwise complete the finished product. It's an approach, Matthew says, that has Farmer employees and many others in the industry looking forward to a positive future.

“They embraced the change that was required for the company to grow and move to the next level,” he says. “This is an extended family and I see myself as a guardian of careers and these individuals' wellbeing. This industry is much more than simply ‘building structures.’ I think there are a lot of misconceptions about the industry, but at the end of the day, like all sectors with many moving parts, they all have to work symbiotically if you want to succeed.” **B**

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