

WINNIPEG, MANITOBA

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Arctic Co-operatives Limited (ACL)

For the Inuit Dene and Metis peoples in Canada's Arctic, cooperation and collaboration are incorporated into the traditions and cultural contexts that frame every day life. Survival in this harsh climate has always been a struggle, requiring informal family and group cooperation.

As European contact increased, they became aware of the co-operative business model and saw the fit with their own values and culture. Early co-operatives were based on arts and craft production, fur harvesting and commercial fisheries. As time passed, the co-operatives became more formalized and grew in scale, but many of the principles and values remained the same.

In addition to this commitment to work together at the local level, these new co-operatives recognized the importance of working together through co-op federations. In 1965, 14 local co-ops joined together with the Government of Canada to form an Inuit Art Marketing Organization – Canadian Arctic Producers. In 1972, 26 co-ops from the north

joined together to form the Canadian Arctic Co-operatives Federations Limited (CACFL).

In 1981, two existing co-operative federations, the Canadian Arctic Producers Co-operative Limited and The Canadian Arctic Co-operative Federation Limited joined together to form Arctic Co-operatives Limited. Founders had certain goals that they felt were best met by using the co-operative business model. For example, members did not want people from outside their communities coming in and establishing businesses to sell products and provide services, which would drain local income from the community and would not keep money →



→ circulating locally. It made sense to develop the services themselves co-operatively, and retain the profits from any businesses for their own opportunities and priorities. In this way, the profits could be used to develop new and better services and enterprises, which would create additional employment opportunities for both co-op and community members.

Arctic Co-operatives Limited (ACL) is a service federation, owned and controlled by 31 Inuit and Dene community-based co-operative business enterprises located in Nunavut and Northwest Territories. These co-ops include retail stores, hotels, cable television operations, construction, outfitting, arts and crafts production and property rentals. While none of the 31 co-ops are in Manitoba, ACL's head offices are located in Winnipeg.

The role of Arctic Co-operatives is to coordinate resources, consolidate purchasing power, and provide operational and technical support to the 31 community based co-operatives. This support from ACL enables the local co-ops to provide a wide range of services to their over 18,000 local member-owners in an economical way.

The democratic governance structure of the Co-operative system in ACL is designed to support the local ownership and control of each co-operative. Co-op members take ownership in their local community business by purchasing and holding shares. Each member has an equal share in the business affairs of the Co-op, as they adopt a “One Mem-

ber, One Vote” policy. Members are encouraged to participate in the operation of their co-operative by contributing ideas and making decisions on the policies and future direction of the co-operative.

However, ACL is known as a “second tier co-operative,” meaning that there are two governance structures—not all 18,000 members make decisions and vote on policies at ACL. The Board of Directors at each of the 31 ACL member co-ops elects delegates to attend the ACL Annual General Meeting, where they elect a seven-person board of directors. This board consists of a representative

from each of the seven geographical districts serviced by ACL. This board also governs the Arctic Co-operative Development Fund.

In 2009, the ACL celebrated 50 years since the first incorporation of a local Co-operative in its current service area. This milestone symbolizes drastic lifestyle changes for the

Inuit, Dene and Metis people of the Arctic. In addition, however, it also symbolizes the importance of cultural preservation, and the traditional values of cooperation and collaboration within northern communities.

This model has proven extremely successful. Over 800 people are employed in this network, and combined revenues of all member businesses reached \$179 million in 2009. These revenues also reached individual members, who collectively received \$7.7 million in patronage refunds.

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