

Canadian History 1201

Effects of the Great Depression on Canadians (Text pages 146-150)

THE PRAIRIES

- Prairie farmers were among the hardest hit Canadians.
- Rising wheat prices drew many to settle in the west in the early 1920s, but as early as the mid 1920s farms were being abandoned.
- Between 1931 and 1937 over 120 000 prairie farmers and their families emigrated to other parts of Canada and the US.
- Because our economy was heavily based on staple products (wheat) we were extremely vulnerable to the depression.

Reasons for failure before and during the depression:

1. Overworked soil: new farming methods adopted in the early 1920s produced wheat quickly but robbed the soil of nutrients needed for continued growth.
2. Collapse of wheat prices: when prices stagnated and dropped suddenly in 1928-1929 many farmers who had used credit to invest in expensive machinery had to declare bankruptcy and sell or abandon their farms.
3. Natural disasters:
 - a. summer droughts and high winds caused powerful **dust storms**. They blew away farms, plows and trains.
 - b. Clouds of grasshoppers began in 1931-1932, which could destroy an entire field of wheat in minutes.

(Look at diagrams, chart, and radio broadcast on pages 146-148)

THE MARITIMES

- The Maritime Provinces (NB, NS, PEI) were **NOT** affected as much by the depression as other areas for the following reasons:
 - a. They didn't experience the boom of the 1920s, so lower incomes were normal.
 - b. Farming was more diverse – it wasn't as affected by low trade or natural disasters.
 - c. People could continue to fish to feed their families even when foreign markets dried up.

BRITISH COLUMBIA

- Loss of foreign markets (fishing, forestry, and mining) led to widespread unemployment.

CITIES

- The Depression greatly affected people in urban centres.
- Cities had to deal with the influx of rural Canadians: thousands hoped to find work in cities when rural industries failed.
- Many residents lost their jobs or took pay cuts.
- Consumer demand dropped, which led to factories closing or limiting production, while home and commercial construction stopped.
- Calgary was devastated when the American government closed its borders to Canadian cattle exports in 1931. Beef prices fell by 70%.
- Railways suffered from the collapse of the wheat trade = railway maintenance and repair centres closed.

Review:

A. Examine fig. 5.2.h on page 150 - Depression and Unemployment in Cities

1. On average, what year was employment at its highest level in Canadian cities? _____
2. On average, what year was employment at its lowest level in Canadian cities? _____
3. Which cities suffered the most unemployment during the depression and why?

4. On average, what percentage of people employed in 1929 were unemployed in Canadian cities by 1933?

B. Examine fig. 5.1.i on page 144 – Decline in Per Capita Incomes by Province from 1928-1929 to 1933

1. Which provinces had the highest per capita income in 1928-1929 and why?

2. Which area had the lowest income in 1929-1929 and why?

3. Which province's per capita income dropped the most by 1933 and why?
