

Student Handout: Unit 2 Lesson 1



Causes and Effect of the Great Depression

Suggested time: 2 Periods

What's important in this lesson:

Like the prosperity of the 1920's, the Great Depression of the 1930's affected Canadians from all walks of life. You will continue to work with "The Business Cycle" from Unit 1 and continue to examine the social impact the Depression had on Canadians from all walks of life.

Complete these steps:

1. Imagine that you had no money and no place to live.
 - On a sheet of paper, brainstorm how you are going to live. You may work with a partner if one is available. Come up with as many ideas as possible.
 - Read over all of your ideas and circle the ones that you feel did not exist in Canada before the 1930's.
2. Get out your "Business Cycle" chart from Unit 1, Lesson 4. Read the Handout 1, "The Stock Market and the Great Depression". Use your chart to fill in the Business Cycle section and to answer all the questions.
3. The Stock Market crash was just one of the causes of the Depression. On Handout 2 "The Causes of the Great Depression", research using any of the sources available to you, and fill in the answers for each heading. Hand in your chart to the teacher for evaluation. Each section is worth 2 marks, for a total of 12 marks.
4. Now that you understand the causes of the Depression, look at the effects of the Depression on Canadians. Using *The Canadian Scrapbook: The Depression Years: Canada in the 1930's*, answer the questions on the Handout 3 "The Effects of the Depression on Canadians". Hand in for assessment of information accuracy.
5. **Reflection:** On a lined piece of paper, write the title, "Reflection" and answer the following question in a paragraph: How do you think Canadians would live through a Depression if one occurred in Canada today? Hand in your paragraph for assessment.

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Hand-in the following to your teacher:

1. Handout 1 “The Stock Market and the Great Depression”
2. Handout 2 “The Causes of the Great Depression”
3. Handout 3 “The Effects of the Depression on Canadians”.
4. Reflection Paragraph

Questions for the teacher:

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The Stock Market and the Great Depression

A Stock Market Glossary	
Stock	A share in the ownership of a company (e.g. if you buy 100 shares in a company at \$25 a share and the company has a total of 10 000 shares, you own 1/100 of the company)
Investor	A person who buys shares in a company
Stockbroker	A person who buys and sells stocks on the stock exchange for people who want to invest in the stock market
Stock Exchange	A marketplace where stocks are bought and sold
Stock Certificate	A paper providing ownership of a stock
Dividends	The share of a company's profits paid to shareholders

The Crash of the Stock Market

Go back to your chart of the Business Cycle. The prosperity cycle of the 1920's came to a halt with the 'crash' of the stock market on **Black Tuesday** in October 1929. The Business Cycle was now in the Depression stage.

In the following chart, compare the Prosperity stage of the cycle to the Depression stage of the cycle.

BUSINESS CYCLE	PROSPERITY	DEPRESSION
SALES		
WAGES		
PRICES		
PRODUCTION		
BUSINESS PROFITS		
BUSINESS FAILURES		
DEMAND FOR GOODS		
LABOUR UNREST		
UNEMPLOYMENT		

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Black Tuesday was one of the most dramatic events signaling the Great Depression. During the 1920's, many people played the stock market. Many of them borrowed money to invest (buying on margin). People dreamed of making

it rich. They would buy stock from a stockbroker when the price was low and sell those stocks when the price was high. Many people who invested in the stock market lost everything when it crashed.

Explain how the Stock Market “crash” helped lead Canada into a Depression. Write one or two sentences.

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The Causes of the Great Depression

Over-Production and Over-Expansion (2 marks)	Canada's Dependence on a Few Primary Products (2 marks)
Canada's Dependence on the United States (2 marks)	High Tariffs and International Trade (2 marks)
Too Much Credit Buying (2 marks)	Too Much Credit Buying of Stocks (2 marks)

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The Effects of the Depression on Canadians

Use the Canadiana Scrapbook: The Depression Years – Canada in the 1930's to answer the following questions. Answer in point form notes.

FAMILIES

1. Describe at least ONE of the housing conditions for families. (pp. 6-7)
2. Give details of the typical food allowance for a family of five in 1932. (pp. 6-7)
3. Give ONE example of how unemployment affected families? (pp. 8-9)
4. What was Christmas like in the 1930's?

FARMERS

1. Give TWO examples of what conditions were like for farmers before the Depression. (p. 2)
2. What was a Bennett Buggy? (p. 22)
3. Give TWO examples of weather conditions in the Prairie Dustbowl during the 1930's. (pp. 14-15)
4. Describe the damage caused by grasshoppers. (p. 15)
5. Explain how a farmer could lose his farm to the bank. (pp. 3, 41)

SINGLE YOUNG WOMEN

1. Explain how the Depression affected people's decision to marry. (p. 12)
2. Give TWO details of working conditions in the garment industries in the 1930's and how this affected women. (p. 42)

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YOUNG UNSKILLED LABOURERS

1. What percentage of Canada's wage earners was unemployed? (p. 2)
2. In what occupation was unemployment the highest? (p. 8)
3. Explain TWO ways a worker became eligible for relief payments.
4. What was relief work? (p. 11)
5. What was a soup kitchen? (p. 32)
6. Explain how unemployment and depression sometimes led to suicide in the 1930's. (p. 12)

IMMIGRANTS AND MINORITIES

1. Explain why an immigrant to Canada could risk deportation in the 1930's? (p. 37)
2. Give ONE details of Canada's immigration policy in the 1930's. (p. 36)
3. What was the "pecking order" for different nationalities and faiths living in Canada during the 1930's? (p. 37)

EMPLOYEES AND THE WELL OFF

1. List the cost of THREE different items for sale in the Eaton's catalogue.
2. Explain TWO ways employers dealt with employees during the Depression, especially with regard to exploitation, layoffs, reputations. (pp. 40-41)
3. Give details of the salaries earned by a chef, chauffeur, maid, laundress, and yardman. (p. 17)
4. Why did J.D. Eaton say, "It was a good time for everybody?". (p. 40)