

Macdonald's National Policy

1878

Review

1874:

Macdonald was not re-elected

1874-1878:

Bad economic times everywhere

Result:

Very few new settlers came to the West

1878: Year of elections

WHY did Macdonald introduce the NATIONAL POLICY?

1) To realize his 'vision' for Canada

Strong country

United country

Rich country

2) To get re-elected as Prime Minister
in 1878

REMEMBER?

- Promise to British Columbia in 1871?

- Promise to Prince Edward Island in 1873?

- Promises regarding Rupert's Land?

Don't Forget.....

There's always a need for ...

\$\$\$\$

How could he raise \$\$\$?

Impose new taxes

No surprise ...

Macdonald won the 1878 election

Macdonald's NATIONAL POLICY

(3 promises)

- Tax American products brought into Canada
- Find a company to build a railway (east –west)
- Attract more immigrants to the west to farm

Goal?

Make Canada **strong** and **rich**

Did Macdonald deliver on his promise to raise \$\$\$ by imposing a new tax?

Yes

Tariffs * were imposed on goods brought into Canada from the United States
(tariffs = taxes imposed on imported products)

Results:

1) Canadians bought Canadian goods

Why? They were _____

2) Canadian economy started to improve

Why? _____

Did Macdonald deliver on his promise to build railways?

Yes

Canadian Pacific Railway Company (CPR) formed

Government gave the CPR:

- \$\$

- Land

- Tax exemption

- Promise of no railroad competition (20 years)

Railway building started in 1881 (completed in 1885)

Who benefitted from Promises #1 & #2?

- The Canadian Pacific Railway Company (CPR)
- Manufacturers in Central and Eastern Canada

Did Macdonald attract more settlers to the west to farm the land?

1870s:

Very few settlers came to the West

1880s:

Very few settlers came to the West

1890s:

Immigrants *finally* started to arrive

50% of newcomers settled in the West

Note: Macdonald died in 1891