As a result of Confederation, Canada was able to avoid becoming a part of the United States. In addition, they could control their own taxes, education, and military. Having one central government based in Ottawa allowed the government to pass bills (government laws) more easily, because before the Parliament was headed by the British. By joining together Canada was able to gain more tax from its population and therefore provide better services for its citizens. However, the French were somewhat assimilated into the English way. They felt that they were losing their culture by giving into a central government, that's why they wanted more provincial rights. Having control of the military could also be argued to be a bad thing for Canada. Before Canada became a country, Britain took control of all military aspects of Canada, which meant they also paid for everything. Taking control of the military also meant that the Canadian government had to pay for it.

Before Confederation First Nations in Western Canada lived as autonomous and self-governing peoples. First Nations were the majority population and participated in the fur trade. European and Canadian fur traders knew their success depended on the cooperation of First Nations, and they created relationships based on partnership and equality. This relationship changed in the 1870s. Canada was anxious to open up the North West Territories to Canadian and European settlement. The Canadian government pursued a policy of assimilation, particularly through the creation of Indian residential schools— which were intended to get rid of First Nations traditions and cultures. At these schools children were taken away from their parents and were not allowed to speak their own languages and were taught that First Nations culture was inferior. Later many of the children had personal problems as they were separated from their parents and received harsh treatment at the schools.

After Confederation, events in the West also had deep effects on the Métis. Their resistance to the Canadian government and negotiation of Métis rights led to Manitoba’s entry into Confederation in 1870. However, the following massive arrival of immigrants led to political, economic, and social discrimination against the Métis. Settlers got the best land and ignored the Metis way of life. They would become known as Canada’s “forgotten people.”

The creation of the Northwest Territories in 1870 began a process of change for the Inuit in the far North. This time period saw the arrival of explorers, missionaries, fur traders, fishers, and whalers, as well as the North West Mounted Police, all contributing to rapid social, economic, and cultural change. The Innuit were able to obtain manufactured good and trading posts were set up. As was the case with First Nations, the Inuit were ravaged by European diseases. The long-term effects brought about by increasing contact with non-Inuit cultures are still evident today, including the introduction of non-traditional goods such as alcohol.