the customs tariff. Then we come to the year 1927-28. This is the minister's estimate:

Income tax and business profits tax	$ 55,940,000
Excise and sales tax, under the war tax legislation..	88,000,000
Ordinary excise..	57,000,000
Miscellaneous taxes..	2,500,000
Customs duties..	153,600,000

Those items represent a total of approximately $357,000,000. We have heard a good deal about reduction of taxation. The Minister of Finance himself made a great ado about it in his budget speech, and the hon. member for North Battleford, who preceded me, boasted of the achievements of his party in that regard. Yet, Sir, we find that this year the government expects to collect $40,000,000 more by taxation than did the late Conservative administration in the last year it was in power. But more important still is the fact that while in the year 1921-22 only 33 per cent of the total revenue from taxation was collected through the customs tariff, this year it will be 43 per cent. In 1921-22, 32 per cent of the total taxes were derived from income tax and business profits tax, and only 33 per cent from the customs tariff; whereas this year, 1927-28, only 14 per cent of our total revenue from taxation will be derived from income tax and business profits tax, as against 43 per cent from the customs tariff. Of course, under the policy laid down by the Minister of Finance this difference will increase year by year.

Next, Mr. Speaker, I come to the question of tariff reductions. The more I examine the budget the more I realize that the tariff is not reduced at all; it is actually raised. Of course, I am speaking from the standpoint of the consumer. I appreciate the fact that considerable reductions have been made on machinery and raw material used by the manufacturers, and in fact the great bulk of the reductions are really in their interest. I am not complaining of that; on the contrary I am delighted, because I am interested in seeing them just as prosperous as other classes of the community; but speaking from the standpoint of the consumer I must confess that I am unable to discover these reductions. The Minister of Finance in his speech states that he proposes to do something to foster interimperial trade. Well, Sir, I submit that the policy which he has laid down is directly designed to impede that trade. The changes with respect to the British preference will have the effect of raising the protection to the Canadian manufacturer, preventing the importation of goods under the British preference, and of course ultimately raising the cost to the consumer. The minister states:

At present Canada requires 25 per cent to be empire labour and materials. It is proposed to double this percentage.

Now, Sir, let us analyze the effect of this on the cotton industry, for instance. Of course, I appreciate the fact that where practically nothing enters under the intermediate tariff there are substantial reductions. As the hon. member for Winnipeg North Centre (Mr. Woodsworth) pointed out, there is a reduction of the duty on candle wick. Had that reduction been made fifty years ago it might have been of some relief to the consumer. But let me proceed to discuss the effect of the budget on the cotton industry. Ninety per cent of the short staple cotton used in British mills is purchased outside the empire, 30 per cent of the total American exports of cotton going to the United Kingdom. Not more than 15 to 20 per cent of the cost of the finished product of the British cotton mills is labour. Of course other materials enter into the finished goods besides cotton, and Great Britain has to import some of those materials. So it will be seen how difficult, how impossible in fact, it is for the British cotton manufacturers to secure the advantages of the British preference. In any case, may I point this out, when cotton prices are high on the market, the relative value of the cotton in the finished product will be increased; and the minister, in effect, says to the Canadian consumer: When cotton prices are high I propose to increase the duty on cotton manufactured goods, and when cotton prices are low there is a possible chance of these goods coming in under the British preference. In ten years the average value of the raw cotton used in British mills was 46 per cent of the finished value of the goods. In one year it was about 58 per cent. It is quite obvious, then, that under this new proposal the advantage of the British preference will largely be lost to the British cotton manufacturers.

Now, Sir, the Minister of Finance and his colleagues have made a great ado about the tariff board. Last year the excuse was made that tariff reductions were withheld until reports were received from the board. I have come to the conclusion that the tariff board is simply a shock absorber for the government—something to put the blame on, something to pass the buck to. That is about all it amounts to, because I find that this change in the British preference never went before the tariff board at all. Some of these interests apparently were allowed to come in by the back door, as the hon. member for Winnipeg North Centre suggested the other day; but when a delegation representing the United