

matter of history that a falling price of wheat has been accompanied by an increase in the cost of living, and it is a matter of personal experience which each of you can verify that bread forms a trifling element in the cost of living. How much flour does any one person eat anyway? I suppose you individually spend more money on cigars than you do on bread.

Every government in the world is frightened today about the cost of living, and every government believes that it is surrounded by revolutionary influences.

They may have believed that our wheat was going to \$2.50 or \$3.00, and they may have believed that would bring the labor people and consumers in crowds to Ottawa, or worse.

You may have heard of the Liverpool riots. I came through Liverpool on Sunday. On Saturday night the crowd raided some of the best stores in Liverpool. One gang knocked in the windows of the best stores and another gang handed out the contents. They appeared to favor three classes of stores—jewellers, clothing and boots. They handed the stuff out and divided it up on the spot. I saw what I never believed I should live to see—I saw a British cruiser and a destroyer moored in the Mersey to protect the Liverpool docks and wharves, and there were said to be fifty-three steamers which could not be moved, not counting our own.

What is the situation over there? One can describe it in a few words. For a long time the people were told that they would get back from Germany and Austria a great part, if not the whole, of their war expenditure by way of indemnity, and they were told that they would get back the money which they had loaned to Russia. Now the hope of getting a large indemnity is fading, and as the British troops leave Russia and the revolutionaries win, the hope of getting back their money from Russia is also fading. Meantime the Government expenditure is enormous. First of all, Britain has a national debt today of somewhere over 8,000 million pounds sterling—an ap-