

(No. 27.)



1871.

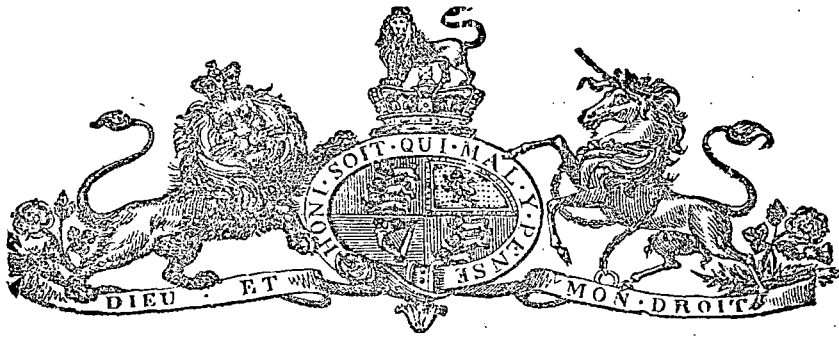
TASMANIA.

LEGISLATIVE COUNCIL.

WORN SILVER COINAGE.

CORRESPONDENCE.

Laid upon the Table by Mr. Wilson, and ordered by the Council to be printed,
November 8, 1871.



Tasmania,
Colonial Secretary's Office, 8th July, 1871.

SIR,

REFERRING to the Minutes of the late Intercolonial Conference held at Melbourne, I have the honor to request that you will do me the favour to acquaint me what action was taken by the Government of Victoria in reference to the following Resolution (Minutes of the Conference, page ix.), namely, "That an application be made to the Imperial authorities to permit the minting of Silver Coins in the Colonies of New South Wales and Victoria; or, that the Imperial Government shall be requested to cause to be supplied periodically to the Mint authorities in these Colonies new Silver Coins, to exchange in the Colonies for those which may from time to time become worn and defaced."

"The Representatives of New South Wales and Victoria undertook to make the necessary application to the Imperial Government in the matter."

There is in this Colony a considerable accumulation of worn and defaced Silver Coin, and great inconvenience is experienced in its free current circulation.

Under these circumstances I shall be glad to be put in possession of copies of any correspondence, bearing upon the withdrawal of the defaced Coin in question, which may have taken place between the Imperial Government and the Government of Victoria.

I have, &c.,
(Signed) JAMES MILNE WILSON.

The Honorable the Chief Secretary, Victoria.

[Similar to New South Wales.]

Sydney, 9th August, 1871.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 8th ultimo, requesting to be furnished with information as to the action taken by this Government in reference to the Resolution of the late Intercolonial Conference respecting the withdrawal of defaced Silver Coins from circulation in these Colonies.

2. In reply, I have the honor to transmit herewith, for your information, copies of correspondence on the above subject, being a Despatch received by His Excellency the Governor from Her Majesty's Principal Secretary of State for the Colonies, and its enclosure, together with a Minute thereon by the late Colonial Treasurer, Mr. Samuel.

I have the honor to be,
Sir,

Your most obedient Servant,

*The Honorable the Colonial Secretary
of Tasmania.*

JOHN ROBERTSON.

NEW SOUTH WALES.
(No. 84.)

Downing-street, 21st September, 1870.

MY LORD,

I FORWARDED to the Lords Commissioners of the Treasury a copy of your Lordship's Despatch, No. 45, of 25th March, enclosing a letter from the Colonial Treasurer (13th September, 1870,) relative to the defaced state of the Silver Coinage in New South Wales; and I transmit to you for your information a copy of a letter which has been received upon the subject from their Lordships' Department.

I have, &c.,

*Governor the Right Honorable
The Earl of BELMORE.*

(Signed) KIMBERLEY.

(Copy.)

*The Under Secretary Treasury to Sir F. ROGERS.**Treasury Chambers, 13th September, 1870.*

SIR,

WITH reference to your letter of the 27th May last, transmitting to the Lords Commissioners of Her Majesty's Treasury for their consideration a copy of a Despatch from the Governor of New South Wales relating to the replacing of defaced Silver Coinage, I am directed by their Lordships to state for the information of the Earl of Kimberley, that the request of the Colonial Government as conveyed in Lord Belmore's Despatch of the 3rd September, 1869, was, that application should be made to the Imperial Government to send to the Colony sufficient Silver Coin to replace that now in circulation which is worn and defaced.

In the reply from this department, it was stated that instructions had been given for the usual facilities being afforded to the Agents of the Australian Banks for the exchange of the defaced for serviceable Coins; but the Agents either of the Banks or of the Colonial Government were required to undertake the cost of transfer.

My Lords see no reason to alter their decision, but they see no objection to the Agents of the New South Wales Government making their own arrangement with the Bank of England, or otherwise, for the exchange of the defaced Coins if they consider it desirable.

I am, &c.,

*Sir F. ROGERS, Bart.*CHARLES W. STRANGE, *pro Secretary.**Despatch of 21st September, 1870.**The Treasury, New South Wales,
Sydney, 12th December, 1870.*

HIS EXCELLENCY THE GOVERNOR,

I REGRET that the Imperial Government should not have been able to comply with the request of this Government that a supply of Silver Coin might be forwarded to the Colony to replace defaced Imperial Coin now in circulation.

2. The usual facility afforded by the Bank of England will not meet the difficulty, as a supply of perfect Coin must first be obtained here before the worn and defaced Coin can be withdrawn.

3. The inconvenience represented in former applications as being suffered by the public here has if anything increased. I am, therefore, impelled to again convey to your Lordship the desire of the Government that advantage may be taken of the existence in the Colony of a Branch of the Royal Mint, to exchange by its agency the present defaced Silver Currency, as was recently done with the Copper Coin, to the great advantage and satisfaction of the community.

4. Should the Lords Commissioners of Her Majesty's Treasury adhere to their decision, I trust that the privilege of coining Silver at the Branch Mint in Sydney may be granted to this Colony.

5. May I request that your Excellency will be pleased to convey the substance of this Minute with your recommendation that the application therein may be favourably entertained?

SAUL SAMUEL.

*Victoria,**Chief Secretary's Office, Melbourne, 9th August, 1871.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 8th ultimo, inquiring what steps have been taken by this Government to carry out the Resolution of the Intercolonial Conference, "That an application should be made to the Imperial Government to take measures for the restoration of the Silver Coinage."

I enclose a copy of a Memorandum (11th August, 1870,) prepared by the Treasurer of the late Administration on this subject, asking His Excellency to bring the matter under the consideration of the Secretary of State. I understand that His Excellency did accordingly write a Despatch to the Secretary of State drawing attention to the recommendations of the Conference, but that no answer has been returned yet.

I have the honor to be,

Sir,

Your most obedient Servant,

W. H. ODGERS, *for the Chief Secretary.**The Honorable the Colonial Secretary, Tasmania.*

The Treasury, Melbourne, 11th August, 1870.

MEMORANDUM.

I BEG to invite your Excellency's attention to the accompanying extracts from the Report of the proceedings of the late Intercolonial Conference, which indicate the necessity felt by the Members of the Conference that the Imperial Authorities should either accord permission for the Minting of Silver Coin at Sydney and Melbourne, or should make arrangements for the supply periodically to the Mint Authorities in the Colony of a sufficient number of new Silver Coins to be exchanged for those which have become worn and defaced.

From the first extract your Excellency will see, that Colonel Ward was applied to for information on this subject; and it would appear from the information which was received in reply to that application, that a net profit of 8 per cent. is derived by the Imperial Government from the coinage of Silver Coins.

The profit is, however, reduced by the obligation undertaken by the Imperial Government to exchange new Silver Coin free of charge for Silver Coin old and defaced; but, notwithstanding this deduction, Colonel Ward estimates that an annual profit is derived by the Imperial Government from the coinage of Silver.

On the other hand, it is well known that inconvenience and loss are frequently sustained by members of the community in consequence of the depreciation of the Silver Coin now in circulation.

The remedy for this state of things would appear to be by allowing Silver Coin to be manufactured at the Colonial Mints (the required machinery for which would be readily provided as far as Victoria is concerned); but if there is any objection to this course, of which this Government is not aware, it is hoped that none will exist to the extension of the system under which new Silver Coin is exchanged for old at the Mint in London to the Branches of that Mint in Sydney and Melbourne, so that at these places similar facilities may be given for the exchange of defaced or worn out Silver for new Coin.

(Signed) J. G. FRANCIS.

His Excellency Viscount CANTERBURY.

(General.)
Circular.

Downing-street, 27th June, 1871.

SIR,

I TRANSMIT to you for your information and guidance a copy of a letter (14th June, 1871) from the Lords Commissioners of the Treasury, with its enclosure, specifying the conditions upon which that Department will be prepared to supply Colonial Governments with new Silver Coin from the Royal Mint.

I have to instruct you to communicate this information to the Legislature of the Colony under your Government.

I have, &c.,

(Signed) KIMBERLEY.

*The Officer Administering the Government
of Tasmania.*

(Copy.)

Mr. LINGEN to the Under Secretary of State for Colonies.

Treasury Chambers, 14th June, 1871.

SIR,

I AM desired by the Lords Commissioners of Her Majesty's Treasury to state to you, for the information of the Earl of Kimberley, that they have carefully considered the course to be pursued for remedying the inconvenience which is stated to be occasioned in several of the Colonies by the defective state of their Silver Coinage; and which has formed the subject of various communications from the Colonial Office to this Department during the last two years.

As the result of that consideration, my Lords have caused the enclosed Regulations to be framed, which embody the terms upon which they will be prepared to receive worn Silver Coin from the Colonial Governments, and to supply new Silver Coin to meet their requirements from time to time.

I am to request that these Regulations, which will apply to all British Colonies where the Imperial Silver Coinage is current, may be communicated to the several Colonial Governments interested; and that the proper officer in each Colony may be instructed to place himself in communication with the Deputy-Master of the Royal Mint in this country, in reference to the appointment of a shipping agent, to undertake the transmission of new Coin to the Colony on behalf of the Colonial Government, and the arrangement of other necessary details.

The Secretary of State will observe, that under the Regulations it will be competent for the Australian Colonies and for New Zealand to employ the agency of the Branch Mints at Sydney and Melbourne for effecting the withdrawal of their worn Silver Coinage.

My Lords have issued directions to the Deputy-Masters of those branches to receive and pay at its nominal value such defective Silver Coin as may be brought in, upon condition, however, that the cost of carriage and all other incidental expenses are borne by the Colonial Governments. Those Colonies which may find it more for their convenience or advantage to forward the worn Coin to the Royal Mint, will in like manner be entitled to receive its full nominal value in return, and will be required to bear all expenses of freight, insurance, &c.

My Lords request that it may be pointed out to the Colonial Governments, that while they will be placed under no arbitrary restriction in regard to the amount of new Silver which they may find it advisable to apply for, the new Coin should, in the first instance, be used chiefly as a means of withdrawing the worn Silver from circulation; and that bankers and the public generally should be encouraged to exchange old Coin for new, rather than to apply directly for new Coin without reference to the amount or condition of the Coinage already in circulation. Subject to this understanding, my Lords propose to leave the special arrangements for each Colony to be made by the respective Governments.

I am to add that, in applying for a supply of new Coin, each Colony should state precisely what proportion of each denomination of Coin it will require. My Lords are informed by the Deputy-Master of the Mint with reference to the concluding paragraph of the Memorandum of the Colonial Treasurer of New Zealand, forwarded in the Governor's Despatch of 30th July, 1870, that there will be no difficulty in supplying boxes containing bags of each denomination of Coin; but that bags are most conveniently packed in boxes containing £400, not £500, each.

I am, &c.,

(Signed) R. R. W. LINGEN.

The Under Secretary of State, Colonial Office.

(Copy.)

REGULATIONS for the supply of British Silver Coinage to the Colonies.

THE Lords of the Treasury will be prepared to supply Colonial Governments with new Silver Coin (Florins, Shillings, Sixpences, and Threepences) from the Royal Mint, on the following conditions:—

1. On receiving an application, transmitted in the usual form through the Secretary of State for the Colonies, the Lords of the Treasury will direct the Deputy Master of the Mint to pack, and hold to the order of the agent duly appointed by the Colonial Government, such an amount of Silver Coin as may be required on behalf of the Colony.
2. The Colonial Government will be required to undertake all risks, and the payment of all expenses connected with the shipment of Silver Coin to the Colony, including packing, freight, insurance, and shipping charges.
3. The Colonial Government will be required to pay to the Master of the Mint's account at the Bank of England, on delivery to its agents, the capital sum representing the nominal value of the new Silver Coin, together with the amount of such incidental expenses as may have been incurred by the Mint.
4. The Colonial Government will be required to make such arrangements as may be deemed necessary for the withdrawal of worn Silver Coin from circulation, and to forward it, at their own expense and risk, to the Royal Mint or one of its Branches (at Sydney or Melbourne).
5. The Imperial Government will pay to the Colonial Government or its agents the nominal value of the worn Coin so withdrawn from circulation, as soon as it is received at the Royal Mint or one of its Branches.