

# THE CANADIAN MONETARY TIMES

## AND INSURANCE CHRONICLE.

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PUBLIC COMPANIES, AND JOINT STOCK ENTERPRISE.

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### Mercantile.

#### J. B. Boustead.

PROVISION and Commission Merchant. Hops bought and sold on Commission. 82 Front St., Toronto.

#### Buntin, Brother & Co.

WHOLESALE STATIONERS, and Paper, Envelope, and Bank Book Manufacturers, Nos. 3 and 4 Commercial Buildings, Yonge Street, south of King Street, Toronto.

#### Wm. Croft & Co.,

MANUFACTURERS of Needles, Fish Hooks, Tackle, &c., Importers of Cutlery, Thimbles, Pears and Buttons, Hooks and Eyes, Pins, Combs, and Small Wares in general. 37 Colborne Street, Toronto, Ont.

#### Childs & Hamilton.

MANUFACTURERS and Wholesale Dealers in Boots and Shoes, No. 7 Wellington Street East, Toronto, Ontario. 28

#### L. Coffee & Co.

PRODUCE and Commission Merchants, No. 2 Manning's Block, Front St., Toronto, Ont. Advances made on consignments of Produce.

#### Candee & Co.,

BANKERS AND BROKERS, dealers in Gold and Silver Coin, Government Securities, &c., Corner Main and Exchange Streets, Buffalo, Y. N. 21-1v

#### John Fishen & Co.

ROCK OIL and Commission Merchants, Wellington Street East, Toronto, Ont.

#### Gaudry and Langley.

ARCHITECTS and CIVIL ENGINEERS, Building Surveyors and Valuers. Office corner of King and Jordan Streets, Toronto.  
THOMAS GUNDREY. HENRY LANGLEY.

#### Lyman & McNab.

WHOLESALE Hardware Merchants, Toronto, Ontario.

#### W. D. Matthews & Co.

PRODUCE Commission Merchants, Old Corn Exchange, 16 Front St. East, Toronto, Ont.

#### R. C. Hamilton & Co.

PRODUCE Commission Merchants, 119 Lower Water St., Halifax, Nova Scotia.

#### H. Nerlich & Co.,

IMPORTERS of French, German, English and American Fancy Goods, Cigars, and Leaf Tobaccos, No. 2 Adelaide Street, West, Toronto. 15

#### Parson Bros.,

PETROLEUM Refiners, and Wholesale dealers in Lamps, Chimneys, etc. Waterrooms 51 Front St. Refinery cor. River and Don Sts., Toronto.

#### Reford & Dillon.

IMPORTERS of Groceries, Wellington Street, Toronto, Ontario.

#### C. P. Reid & Co.

IMPORTERS and Dealers in Wines, Liquors, Cigars and Leaf Tobacco, Wellington Street, Toronto. 28.

#### W. Rowland & Co.,

PRODUCE BROKERS and General Commission Merchants. Advances made on Consignments. Corner Church and Front Streets, Toronto.

#### Sessions, Turner & Cooper.

MANUFACTURERS, Importers and Wholesale Dealer in Boots and Shoes, Leather Findings, etc., 8 Wellington St West, Toronto, Ont.

#### Sylvester, Bro. & Hickman,

COMMERCIAL Brokers and Vessel Agents. Office—No 1 Ontario Chambers, (Corner Front and Church Sts., Toronto.

### Financial.

#### INTERNATIONAL COINAGE.

The following translation of a valuable paper on international coinage, in the Prussian Annals, volume 24, from the pen of Mr. Eug. Nothomb, has been made and furnished for publication.

The question of international coinage has occupied a good deal of attention of late, especially in Germany, where it was the subject of discussion in the Assembly (June 13, 1868), and in the Duties Parliament, June 21, 1869, and there seems to be some danger of the adoption of a convention on the part of Germany, concluded December, 23, 1865, between France, Italy, Belgium and Switzerland, for a term of fifteen years, which has been joined by Greece, and most likely will be by Spain also. In the United States the bill presented during the last session by Mr. Kelley, of Penn., has brought the subject prominently before the public, and it is to be regretted that action could not then have been taken because the adoption of Mr. Kelley's plan by Congress would have been influential in delaying foreign governments from attempting the establishment of an international coinage on the basis of the gold franc, which could only prove a failure.

A system of coinage, claiming universality, should rest on the gold standard exclusively. This is no longer contradicted, since France is about to introduce this single standard, by which one defect in her money system will be removed. The last French Committee on Coinage, in a report of March 5th, recommended, decidedly, the abolition of a double standard, a limitation in the coinage of 5 franc silver pieces on private account, and a restriction of their legal circulation to 100 francs in any payment. Belgium, Switzerland and Italy have always been opposed to a double standard, and its discontinuance will be of momentous importance for those States which maintain only the silver standard. As long as one could have coined in Paris, of 10 kilogr. silver (9-10 fine), 1985 francs, and of 10 kilogr. gold 30922.50 francs, after deducting the charges for coining, and while several millions of well preserved 20 franc pieces were yet in circulation in France, the price of silver could not fall much below 60¢d. per ounce standard (value of gold to silver, 1 to 15.60.) How much the value of silver must fall, if France and other countries adopt the single gold standard, cannot be foreseen, though it has been estimated at 25 to 30 per cent.

Before entering further on the other essential qualities of international coinage it may be well to advance a few observations.

A coin is a disk (*un disque*) of gold or silver, the full weight of which is guaranteed by the State, and which has an addition of copper, likewise guaranteed; for the better protection of the gold or silver against external influences. Such is the fundamental idea, inherited by all nations from their infancy. The sicle of Abraham, the talent, the drachma, of the Greek, the *as* of the Roman, the livre of Charlemagne, the pound of William the Conqueror, were at the same time unit of weight and unit of money. During the barbarism of the Middle Ages, when kings disposed arbitrarily of the property of their subjects the opinion gained ground that money should be

only a representation or token of value; it was then thought sufficient that a prince need only imprint on a coin any value he pleased to give it such value in reality; the weight of the silver was no longer considered. How much evil resulted from this maxim, how much counterfeiting became common among all nations, is well known; only the Chinese, who for nearly 3,000 years have preserved the same unit of money, a certain weight of fine silver, protected themselves against it.

For many years the thought of giving to all nations a common coin has been manifest, but its realization was sought in trifling ways, looked upon by all thoughtful men as temporary relief only, and a precarious measure besides. England and France had originally the same unit of money, the pound silver, divided into 20 shillings or sous, at 12 pence or deniers. In the former country the debasement of money by the ruler terminated during the time of Elizabeth, and its pound fell to one-third only of its primary value, while in the latter country it ended only with the fall of royalty itself, and its livre tournois fell to 1-76 of its original value. England as early as the 16th century, changed from the silver to the double standard, and in 1717, in fact, 1816 by law also, to the exclusive gold standard; thus it arrived at the present sovereign of 1869 pieces per 40 Troy pound of standard gold, 11.12 fine, or of 7.3225 grammes of fine gold. France, in 1795, found its livre debased to nearly 1/3 grammes of silver; it adopted this weight as a new unit of money, and in 1803 permitted the coinage of gold pieces of 900-155 grammes of gold, designating their value at 20 francs. By this, against the intent of the legislature, the double standard was introduced; about 1865 France adopted *de facto* the single gold standard, and now seems to pass to the last period in the history of coinage—the establishment of the gold standard on the basis of the gold franc.

What is the gold franc? It deserves first the reproach of being too small for coinage, and exists only in pieces of five. Its weight is 0.2903225806 + ... plus an infinitesimal decimal fraction of fine gold (900 grammes gold = 3100 francs); but such weight is found neither in the metric nor in any other system of the world; the 5, 10 and 20 franc pieces are not at all weighable. Consequently this coin does not satisfy the demand of being of a guaranteed weight, which every one, as long as it has not lost of its weight, should be bound to accept in payment. It would be illogical to recommend its adoption to other nations.

The government of Belgium, by its representative, declared in the international conference on coinage in Paris (session of June 17, 1867): "Belgium would prefer that the conference adopt an entirely new system of coinage, would establish principals and not practicable expedients. Nothing durable could be created by the latter and only fresh difficulties for the future. A common system of coinage can be reached only on a primary unalterable basis; if resting on a unit of 5 or 10 grammes it would possess the immeasurable advantage that all nations could adopt it without exciting national sensibilities. True, it would require the discontinuance of existing coins, but a rational, definite system would be created, which would stand unchangeable." The representative of Belgium added to this, that, in his opinion no true 5, 10 or 20 francs existed, since they were not