IS A CANADIAN MINT NEEDED?

The extensive production of the precious metals by the mines of Canada has given rise to an opinion that it is desirable to establish a Mint in Canada for the manufacture of gold and silver bullion into coins. The Annual Report of the Executive Council of the Canadian Bankers' Association for 1897 contained a clause which reads: "The Montreal Board of Trade having sought the opinion of the General Managers of banks in Montreal respecting the wisdom of establishing a Mint in this country, your President, as their spokesman, ventured to use the name of the Association in pronouncing the scheme inexpedient, unnecessary, and undeserving of support at the present time, for economical reasons amongst others." The President, Mr. F. Wolferstan Thomas, General Manager of the Molsons' Bank, in his valuable address at the Bankers' Association meeting in October, 1897, devoted some attention to this question. His judgment was that the time had not come for so large an undertaking in view of its expensive nature and the profit accruing to Canada from our utilising the English Mint. In 1896, for instance, there was $140,000 worth of coins received in Canada from the English Mint on which the profit to Canada was $69,484 over and above the value of silver sent for coinage and all charges for minting and transportation. On $10,000 worth of copper coins the profit was $7,123. On the coining of gold there is no profit. At the same meeting a resolution, moved by Mr. Coulson, General Manager of the Bank of Toronto was adopted, requesting the Government to forward free of expense a supply of silver coins to the banks in British Columbia to replace American silver which was largely used in that Province. At the annual meeting of the same association in October, 1898, the President, Mr. D. R. Wilkie, General Manager of the Imperial Bank, said that the increasing annual production of gold in Canada "has brought changed conditions" in regard to the Mint question. He asked, "Are we not throwing away our opportunities and under-rating our importance in sending our banks and our miners to the States to exchange their gold dust for coin of a foreign realm? He affirmed that, "An immense volume of trade is being and will be lost to Canada through returning Yukon miners being forced to take their 'clean up' to a foreign mint." On these grounds Mr. Wilkie favoured a Mint being established at Vancouver or Victoria, but he gave no data as to the cost of establishing and maintaining such an enterprise.

A short discussion took place in the Senate last year in which the chief advocate of a Mint for Canada used the same arguments. With such an establishment it was affirmed that the outflow of gold dust to a foreign country would be stopped by its being coined in this country. If it were the case that the gold produced in the Yukon and the silver of other districts were being carried out of this country without any such trade being created as there would be if these metals were coined in Canada, then a Canadian Mint would be indeed most desirable. But we submit that those who used this argument confused a Mint with a smelter, by which the miner's gold dust and ore could be turned into bullion or ingots. It was also overlooked that the miners do not carry individually their gold dust or silver ore to American mints, but convert them into cash through the medium of the banks established in mining districts, or by other local agencies. It is impracticable for a Yukon miner to carry his product, his "clean up," across the border to an American city. Why should he try to do so when the Bank of Commerce and the Bank of British North America are on hand at Dawson City ready to convert his product into a cash equivalent? In the mining districts of British Columbia some other banks are also ready to arrange for the local disposal of local products. While, therefore, more smelting facilities may be needed, there is nothing in the present situation, so far as the conversion of gold dust and of ores into cash at points close to the mines is concerned, which has any direct bearing upon the question of establishing a Mint. What individual miners need is a ready market for their produce which is now provided, and what the buyers of gold dust or producers of silver ores need are facilities for converting such products into bullion as economically as possible, for which a national Mint is not necessary, as a Mint is an establishment for making coins out of bullion, not for converting raw ores or gold dust into bullion. The word Mint is a contraction of the latin word Moneta, a surname of the goddess Juno, in whose temple at Rome money was coined. Having shewn that a Mint is not needed for the economic convenience of those engaged in the production of the precious metals, we now proceed to enquire whether it is needed for the public convenience as a source of supply of the necessary coins required in the commercial transactions of the people of Canada? The gold and silver held by the Government, the banks and the public in Canada amounts to about 27 millions of dollars. As the great bulk of the gold held is kept as a reserve, it is not subject to such abrasion as to require renewal. English sovereigns when withdrawn as "light weight" fall below the standard on an average about one fortieth their value. They have to be in active use a long time to be so reduced. As a matter of fact there is no renewal required of the gold coins held in Canada. But supposing one per cent. had to be renewed each year. A Mint on a small scale can turn out 9,720 gold coins in a day, or $47,340 worth. Now, one per cent. of the entire gold coins in Canada amounts to not more than $180,000; to be liberal we will call it $200,000. Two mint presses would, therefore, be able to coin this amount in about four days and a half, or, say, one week. So that in those few days all the work could be done which would be required to renew all the gold coins in Canada needing renewal every year. The process would use up about $3,500 to $4,000 worth of gold. Suppose the entire supply of gold coins required in Canada were to be