

With regard to the silver coins, My Lords apprehend that it will not be necessary to provide any larger coin than a half crown (currency) which will be equivalent in circulation to the United States half dollar, and that the smaller silver coins should consist of shillings, half shillings, and quarter shillings currency. My Lords propose the latter terms instead of those of six-pences and three-pences, because, in the event of the proposed decimal system being fully carried out, it will be necessary to divide the shilling into ten instead of twelve pence: the half-penny would in that case be equivalent to the cent, United States currency. My Lords defer the consideration of a subordinate copper coinage, until they shall be apprised of the wishes of the Colonial Legislatures on the latter subject.

My Lords understand, from the provisions both in the Canada and New Brunswick Acts relating to the cost of obtaining and importing the proposed coins, that the preliminary charges will be defrayed by the respective Governments of those Colonies, and as soon as the necessary funds are provided, and information is conveyed regarding the quantity of coins of the several descriptions which will be required, My Lords will give directions to the Master of the Mint for proceeding with the coinage, and for supplying the gold coins to the agents of the local Governments. With regard to the silver coins it appears to their Lordships that the most convenient course will be for Her Majesty's Government to transmit them to the Commissariat Officers in the respective Colonies, with instructions to receive and withdraw from circulation the British silver coins now current in the Colonies and substitute the new coins for them. The change will thus be effected without charge to the Colonies, and the Seigniorage on the silver coinage will indemnify Her Majesty's Government for the expense.

With regard to the New Brunswick Act, No. 2143, the provisions of which are framed with a view to carrying into effect the scheme proposed by the late Chancellor of the Exchequer, and which are correct in principle and calculated to remove existing anomalies of the currency of that Province, My Lords are of opinion that the same may be duly submitted to Her Majesty for confirmation.

Their Lordships, however, entertain doubts whether this Act can be allowed to stand as a permanent settlement of the currency of this Province, inasmuch as they apprehend its provisions will still create difficulty regarding the legality of the tender of the current gold coins of the United States. The Act legalizes the currency of the United States eagle coined between the 1st July, 1834, and 1st March, 1852, but it does not legalize the currency of the half eagles, or other gold coins of that period. It also empowers the Lieutenant-Governor to extend, by Proclamation, the provisions of the Act to the gold coins of the United States, coined on or after the 1st March, 1852, but this can only be done when such coins, "having been assayed at the Royal Mint, shall have been found equal in fineness to the coins mentioned or referred to in this Act."

My Lords apprehend that the legal effect of these provisions will be to exclude from circulation coins newly issued from the United States Mint, until they shall have been assayed in this country and declared, by local Proclamation, to be legal tender.

My Lords suggest that, with the view of remedying this difficulty, an amending Act should be passed in the terms suggested with regard to the legislation to be adopted in Canada.

The clause in this Act regarding the legal tender of the proposed new gold coins is open to the same observations with respect to the circulation of light coins, as My Lords have offered upon a similar clause in the Canada Act.

My Lords suggest that their remarks upon the New Brunswick Act should be communicated to the Governor-General of Canada, as they apprehend it has been prepared in communication with the Canadian Government.

They also suggest that the arrangements proposed in the memorandum of the late Chancellor of the Exchequer, and further developed by this Minute, should be communicated by the Secretary of State to the respective Lieutenant Governors of Nova Scotia, Newfoundland and Prince Edward Island.

Transmit copy of this Minute to Mr. Merivale for the information of Secretary Sir John Pakington, with reference to his Minutes to the Board of Trade of the 26th of March and 31st of May last; and also to Mr. Booth for the information of the Lords of the Committee of the Privy Council for Trade, with reference to his said Letters.

State at the same time that My Lords are of opinion that the Canada Act, No. 970, intitled, "An Act to extend the provisions of the Currency Act to certain gold and silver coins, coined after the period in 'the said Act limited,' may be left to its operation, but that it appears to their Lordships to be open to an objection similar to that which they have stated in the foregoing Minute to the provisions of the New Brunswick Act, and they suggest that the attention of the Governor General should be called to the subject.