

# The Chronicle

Insurance & Finance.

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

R. WILSON SMITH,  
Proprietor.

VOL. XXI. No. 37. MONTREAL, FRIDAY, SEPTEMBER 13, 1901.

SINGLE COPY - - .10  
ANNUAL SUBSCRIPTION - \$2-00

## Australia and the Mint Question.

The Australasian "Insurance and Banking Record" discusses the Mint question in the Commonwealth. Our contemporary is evidently not enamoured with the colony's system of coining. "In view of the small average amount of silver annually required by Australia the cost of production at either the Melbourne or Sydney Mint would be very much higher than at the London Mint, where an enormous number of pieces are made (87,843,579 silver coins were struck at the London Mint in 1899.)"

"The London Mint not only undertakes the cost of renovating silver, but also that of maintaining the gold currency (of which the proportion minted in Australia mostly preponderates) at full weight and value. During the eight years ended 31st March, 1900, the deficiency in weight that had to be made good amounted to £567,353. Now, had the Imperial Government in 1872 allowed the gain on the silver coinage (there was hardly any at that time) sent to Australia, but, on the other hand, had charged the cost of manufacture, and insisted that the loss on renovating silver coined for Australia and gold coined in Australia must be borne by colonial mints, a heavy loss would have accrued by this time. Should, moreover, the Commonwealth arrange to be independent of the London Mint, an annual loss would probably result, notwithstanding the low price of silver.

Fourthly, there is another consideration. The virtual independence of the Australian mints might easily lead to the Australian sovereign no longer being unhesitatingly accepted at its face value. Practically all the gold now coined at Sydney, Melbourne and Perth is sent abroad—if not in one year, then in another—and the Commonwealth would have no interest in undertaking to maintain the currency at full weight, besides which, the expense of bringing light-weight coins back to the mints would be considerable. Hence, gold wearing badly,

within a few years Australian gold coins would not pass current at their face value, but only as bullion. In fact, no advantage would be gained in shipping sovereigns, and the cost of coining would be unnecessary."

It is also pointed out that if distinctive Australian coins are struck they will not be current outside the Colony, not even in New Zealand, which "would not have coins of two designs in circulation." Australia, after long experience with its own Mints, evidently prefers to rely upon the Imperial Mint for its coins.

## American Silver.

The large amount of American silver now in Canada is being much complained of by the public. Most store-keepers accept American silver coins, but how to use them is their trouble, as customers naturally object to receive them as change as such money is not acceptable to banks. One store-keeper in this city ships the Yankee coins received back to the States in payment for goods. These coins are declined at the Post Office, and the Street Railway does its best to keep them from its till. In the States the silver coins of Canada are subjected to a discount, although they are intrinsically worth much more than those of the States. An American half-dollar contains only 23 cents worth of silver. Every dollar worth of American silver in Canada keeps a Canadian dollar's worth out of circulation and to that extent is an injury to the revenue of this country.

It is urged that the government should take some steps to clean the country of these foreign coins. That would have no permanent effect, as the stream of American money pouring into Canada is regarded with no small satisfaction by hotels, stores, cabmen and others, to whom the patronage and money of Americans is very welcome.