

History of the

1813 HOLEY DOLLAR AND DUMP



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Dr. Holey



Original Spanish silver dollar struck in 1792

Insert: 1813 Holey Dollar struck from a 1792 Spanish silver dollar

1813 HOLEY DOLLAR

The 1813 Holey Dollar is one of Australia's most desirable coins. Talk to those fortunate owners, either private collectors or institutions such as Macquarie Bank, National Museum of Australia and the Mitchell Library, and you quickly realise that the Holey Dollar is viewed as the jewel in their collection.

Governor Lachlan Macquarie etched his name into numismatic history forever when in 1812 he imported 40,000 Spanish Silver Dollars to alleviate a currency crisis in the infant colony of New South Wales.

Concluding that the shipment of 40,000 Spanish Silver Dollars would not suffice, he instructed emancipated convict William Henshall to cut a hole in the centre of each dollar, thereby creating two coins out of one: a ring dollar and a disc.

Henshall proceeded to re-stamp the holed dollar around the inner circular edge with the value of five shillings, the date 1813 and the issuing authority of New South Wales.

The holed coins were officially known as ring, pierced or colonial dollars and although 'holey' was undoubtedly applied to them from the outset, the actual term 'holey dollar' did not appear in print until the 1820s. We refer to the coin today as the 1813 Holey Dollar.

The silver disc that fell out of the hole wasn't wasted. Henshall restamped the disc with a crown, the issuing authority of New South Wales and the lesser value of 15 pence and it became known as the Dump. The term 'dump' was applied officially right from the beginning; a name that continues until this day.

In creating two coins out of one, Macquarie effectively doubled the money supply. And increased their total worth by 25 per cent.

The concept of the 'holey' dollar or the dollar with a hole cut into it was an extension of the practice of 'cutting' coins into segments which was widespread at the time. At least two other colonies used 'ring' dollars before New South Wales – Dominica in 1798 and Trinidad in 1811.

Anyone counterfeiting ring dollars or dumps were liable to a seven year prison term; the same penalty applied for melting down. (Jewellers were said to be particularly suspect.) To prevent export, masters of ships were required to enter into a bond of £200 not to carry the coin away.

Of the 40,000 silver dollars imported by Macquarie, records indicate that 39,910 of each coin were delivered to the Deputy Commissary General's Office with several despatched back to Britain as specimens, the balance assumed spoiled during production.

The buying power of the Holey Dollar is revealed in the Sydney Gazette: you could buy a bottle of rum, a bushel of maize or a pound of green tea.

The New South Wales colonial administration began recalling holey dollars and dumps and replacing them with sterling coinage from 1822. The coins were finally demonetised in 1829; the recalled specie shipped off to the Royal Mint London, melted down and sold off to the Bank of England for £5044.

About 300 Holey Dollars exist today, with a third of those held in public institutions. Private collectors own about 200 coins.

That in the Holey Dollar, Macquarie created one of the nation's greatest collector pieces is evidenced by Coinworks sale in 2015 of the Madrid Holey Dollar.

So named because it is the only privately owned Holey Dollar created from a silver dollar struck at the Madrid Mint, the coin sold for a world record price of \$550,000 in April 2015.



THE DIVERSITY OF THE 1813 HOLEY DOLLAR



1. 1813 Holey Dollar struck on a 1757 Ferdinand VI silver dollar 2. 1813 Holey Dollar struck on a 1788 Charles III silver dollar
3. 1813 Holey Dollar struck on an 1802 Charles III silver dollar 4. 1813 Holey Dollar struck on an 1809 Ferdinand VII silver dollar
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1. 1813 Holey Dollar struck on an 1807 Potosi Mint silver dollar 2. 1813 Holey Dollar struck on an 1805 Mexico Mint silver dollar 3. 1813 Holey Dollar struck on an 1810 Lima Mint silver dollar

Governor Macquarie's order for 40,000 Silver Dollars did not specify dates. Nor did they have to be minted in the same year. Any year would suffice.

He wasn't concerned about the various mints at which the coins were struck – Mexico, Peru, Bolivia, Spain, Guatemala, Chile or Colombia. The Mexico Mint was a prolific producer of silver coins issuing 24,000,000 dollars between 1790 and 1812. The majority of surviving Holey Dollars therefore were created from silver dollars minted at the Mexico Mint.

Nor was Governor Macquarie fussy about the quality of the coins. The extensive use of the Spanish Silver Dollar as an international trading coin meant that most were well worn.

The Holey Dollar is one coin struck from another. Each coin is unique, a combination of the date and monarch depicted on the Spanish silver dollar. And the mint at which it was struck.

The individuality of each Holey Dollar is further enhanced by the quality of the original Spanish Dollar and the sophistication of William Henshall's craftsmanship in cutting out the hole and over-stamping the silver dollar with the date, value and the issuing authority.

The final element that differentiates each Holey Dollar is the extent of circulation after Henshall created the holed masterpiece, as evidenced by the wear to the over-stamping.

Which is why we say that while all Holey Dollars are rare, some are far rarer than others.

The status of the Holey Dollar as Australia's first coin ensures that, as time passes, its historical value can only increase.

The Holey Dollar is history. And yet it is refreshingly current. The ingenuity of Governor Lachlan Macquarie in creating our first coin is reflected in the naming of the Macquarie Bank and the bank's ultimate adoption of the Holey Dollar as its logo.

Celebrated, exalted. But at the same time the Holey Dollar is not elitist. The range of qualities means that well circulated examples can still be picked up for between \$50,000 and \$75,000. And while the design may be sparsely evident it is still a prized possession.



One of the finest 1813 Dumps, struck with the A/1 dies

1813 DUMP

The 1813 Dump and its partner, the Holey Dollar, were the first coins struck in Australia. Not only are they very rare, but their fascinating history has made them two of the world's most famous coins.

While the Holey Dollar glaringly shows that it is one coin struck from another, in a less obvious way so too does the Dump. Notice the detail in the coin shown above, the parallel lines to the left of the date and the 'N' of New South Wales in the legend.

That's the design from the centre of the original Spanish Dollar from which this Dump was created. We refer to it as the undertype and its presence is highly prized.

The Dump with a value of fifteen pence circulated widely in the colony: the extreme wear on most Dumps evidence that they saw considerable use. The Holey Dollar being a higher valued piece, at five shillings, had a narrower band of circulation.

Historians have drawn evidence from Bank of New South Wales documents to support this view. Official records show that in 1820 the bank held 16,680 Holey Dollars and only 5900 Dumps.

Considering that 39,910 of each were released into circulation, the figures reflect the greater circulation of the smaller denomination Dump.

So while the Dump with a value of fifteen pence may seem to be the diminutive partner of the Holey Dollar, the reality is that top quality Dumps have clout. They are extremely rare, in fact far rarer than their holed counterpart in the same quality level. And as such highly valued.



Original Spanish silver dollar struck at the Mexico Mint



1.

1. 1813 Dump struck using D/2 dies
 2. 1813 Dump struck using E/3 dies
 3. 1813 Dump struck using C/4 dies
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2.

Four distinctly different die combinations were employed in the striking of the Colonial Dump, classified as the A/1, D/2, C/4 and E/3. As you would expect, some dies are far rarer than others.

The variations occur in the shape of the cross on the crown, the position of the cross relative to the legend and the positioning of the row of jewels in the crown.

The most readily available Dump type is that of the A/1 and there are quite likely at least 500 specimens held in private hands. Next in line for scarcity is the D/2 with perhaps 200 available, followed by the E/3 with 15 and the C/4 with less than ten known.



3.

While the E/3 and C/4 specimens are extremely scarce, they also are exceptionally crude and aesthetically very challenging.

Their limited numbers and the crude state in which they appear have historians concluding that they were most likely trials, prepared before a design acceptable to Governor Lachlan Macquarie was approved.

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