

## **AUSTRALIA'S CASED 1916 SPECIMEN SET - A SPECIAL PRESENTATION OF OUR FIRST LOCALLY MADE SILVER COINAGE**

### **T. Vincent Verheyen**

Specimen coins of all four silver denominations finally became available at the Melbourne Mint when they struck the threepence late in 1916. Our largest Mint had long struck gold coinage, however, the advent of war and increasing silver production at Broken Hill all pushed Australia towards producing its own coinage.

Sixty sets were prepared for distribution "by favour" of the Deputy Mint Master Albert Le Souëf with collectors charged 6/- for a cased set. Le Souëf was particularly interested in numismatics and in the growth of their museum's collection. The funds received from the sale of these sets assisted with the acquisition of additional numismatic items for the Melbourne Mint's, museum.

Given that 16 sets were recorded as sold and that nineteen were listed in a late inventory, the remaining 25 sets would have included those presented gratis by the Mint.

The Royal Mint in London has supplied official cased sets of specimen / proof coinage since 1887 to commemorate the striking of new designs. Melbourne being a branch of the Royal Mint would have been familiar with the tradition and this would have assisted in the set's creation.

This article draws extensively on archived Mint records, reference coins in the Museum Victoria collection and sets with impeccable provenance to shed new light on this very rare and iconic part of Australia's numismatic heritage.

### **Introduction**

All the silver coins struck in 1916 also include for the first time a letter M mintmark below the date on the reverse designating their striking by the Melbourne Mint. This continued the British tradition of all the branch mints identifying their coins via a mint mark whilst those struck in London have no such designation.

Unlike the one-year time frame strictly enforced for the purchase of later pre-decimal specimen/proof strikes, any unissued 1916 sets were not melted and were still available to collectors into the late 1920's.

According to the Mint Museum cash accounts book, the actual number sold was sixteen.

The by then retired Deputy Mint Master Albert Le Souëf, the man almost certainly responsible for their creation, is the last recorded purchaser (*without paying the 2/- 3d premium!*) in 1928. The remaining cased sets lay virtually forgotten locked in the Mint master's drawer.

These museum accounts also tantalisingly reveal that nineteen cased sets were still in drawer 4 of the Mint Master's desk after 1948. (Their discovery is likely to have occurred during an inventory associated with the closure of the Mint in the late 1960's.)

## **Australia in 1916**

It is opportune to briefly reflect on the situation in Australia and particularly Melbourne during 1916 to put the issue of this set into an historical context.

Wikipedia reveals it was the year Australia's population pushed towards 5 million and the honourable Billy Hughes (1862-1952) was the Labour Prime Minister. Australia continued to suffer terrible casualties in the battles of WW I with Fromelles a standout disaster.

A senior member of the Mint Staff, the chief chemist and refiner (Colonel) Robert Law was amongst those Mint personnel who got permission for active duty.

The fight to introduce military conscription had become extremely political; Melbourne's catholic Archbishop Daniel Mannix led the local opposition. A plebiscite instigated by Hughes to introduce conscription was defeated. Hughes was subsequently expelled from the Labour Party because of his support for conscription.

Later in 1916, Hughes went on to form a new National Labour Party with many of his colleagues and perhaps surprisingly remained Prime Minister. The late honourable Gough Whitlam, Australia's twenty first prime minister was also born in 1916 – one may assume that unfortunately for him, the current practice of newborns receiving special year sets from the Mint was not in favour at the time.

Coin collecting in Australia was embryonic in 1916 with a little more than a hand full of local collectors - principally confined to an exclusive group of learned gentlemen. The Australian Numismatic Society had formed just three years earlier in Sydney. It had approximately 20 members at the time with reduced dues for country and interstate collectors. With only six years of Commonwealth issue to acquire, there was a dearth of Australian coinage to collect. Those collectors interested in Australiana such as Dr. A. Andrews, E. Wills and W. Dixon focussed on the extensive range of tokens issued by private business some 60 years earlier. Ancient coinage was naturally also very popular, particularly with classically educated collectors.

## **Background to Australia producing its own token coinage.**

Australia's eventual production of her own coinage, albeit still at the Melbourne branch (Figure 1) of the Royal Mint, was not simply a nationalistic expression of our financial independence.

The perceived profits associated with the production of token (metal value less than face value) coinage via seigniorage, given the then modest local price for silver (due the large volumes being produced at Broken Hill and other Australian mines) proved the driver for politicians and treasury officials.

A key factor in early communications with Imperial Treasury was that the colonials, as an issuing authority, could not just benefit from seigniorage but also then had to redeem worn coin at face value. The value of coinage circulating in Australia and estimates of the annual amounts required to replace worn and lost coin (given leakage to our Pacific neighbours) all had to be factored into a business case.

The cost for upgrading our branch Mint facilities in order to strike the coinage would be considerable and the payback period uncertain. It was found to be uneconomic for Australia's three local Mint's to each strike silver coinage for their state's needs.

Protracted negotiations between the major colonies of Victoria and New South Wales and the British Government resulted in permission being given for the coinage of silver and bronze at the Branch Mints in Sydney and Melbourne in 1898.



*Figure 1 - The Melbourne Branch of the Royal Mint*

*280-318 William St Circa 1900, featuring the impressive administration building. At bottom right one can just see one of the two cobbled main entrances. These are flanked by 3 tonne basalt pillars topped with quaint metal lamps and fitted with heavy iron gates flaunting plaques of the Royal Coat of Arms. Reproduced with the permission of the Keeper of Public Records Public Record Office Victoria, Australia*

Federation relegated the matter of coinage to the backburner until 1908 when Andrew Fisher (1862-1928) Federal Treasurer / Prime Minister pushed for replacement of pound sterling with an Australian subsidiary token coinage. A Bill was passed in 1909 for a wide range of coinage to be exactly the same size, fineness and weight as the equivalent British coins of the same face value. The designs were again a matter for extended discussion with the chosen obverse design being comparable with the British coin save for the need for a crowned monarch to reflect our subjugate status. The final reverse design executed by William H. J. Blakemore (1871-1945) was fairly unimaginative with its simple presentation of Australia's coat of arms.

After Sir Robert Johnson became Mint Master in London, he set about upgrading the designs of much of the Royal Mints coinage. He was so unimpressed with the Australian communal reverse design, that as early as 1926 he already had his favoured designer George Kruger-Gray working on a draft set of sketches for each denomination. Johnson's tactics included the call for local based design committee's to be established to ensure the final coin designs were acceptable.



*Figure 2 - The Melbourne Branch Permanent Staff*

*Taken circa 1911, as tradition required, on the lawn in the Mint quadrangle with the senior staff all seated on chairs in the front row each side of the deputy master. The first seated row comprises (left to right) Messrs R. Law, A.W. Green, A.M. LeSouëf\*, M.L. Bagge\*, E.S. Wardell (D.M.M), F.R. Power, W.M. Robins\*, F.V. Ramsden and E.T. Lucas\*. Each of those gentlemen marked with an \* were promoted to the position of Deputy Mint Master at Melbourne during their long careers with the British civil service. Reproduced with the permission of the Keeper of Public Records Public Record Office Victoria, Australia*

The Sydney and Melbourne branch Mints distributed, via the banks, the Australian coinage struck in Britain by the Royal and Heaton Mints from 1910 until 1916. During this period plans were made to modify and upgrade our Mints to strike the token (non-gold) coinage.

The onset of World War 1 brought a sense of necessity and urgency to long held plans for Australia to take over the minting of its token silver and bronze coinage. Transporting valuable coin became more perilous with attacks on shipping and the demand for silver coin exploded in the UK after gold coin was withdrawn from active circulation in 1915. Also at this time, the London Royal Mint basically was over

committed with additional work associated with the war effort and hence receptive to proposals which would lighten their workload.

Meanwhile, the senior staff (Figure 2) at the Melbourne Mint could see that with their future local gold supplies in decline, the striking of a token coinage presented a new opportunity to grow their business and income from coinage charges.

## **Melbourne Mint preparations**

In deciding which Mint would strike our first coinage, the Melbourne branch was judged by London as the more capable given Sydney had buildings and machinery which were older and run down. However, neither Mint had struck sterling silver (alloy comprising 92.5% silver and 7.5% copper) coinage, both being setup to strike the softer gold.

Our Perth branch was the newest Mint, but after early “teething” problems it was seen as both geographically isolated and then fully committed to striking their abundant local gold.

Edward Wardell (D.M.M.1904-1915), Matthew Bagge (Superintendent) and Albert Le Souëf (Registrar & Accountant) were the key local staff (Figure 2) involved in securing the funding and permissions to enable the Melbourne Mint to begin striking Australia’s token coinage in 1916.

Just 4 months before the first coins were struck Bagge assumed the D.M.M. position in August 1915 (on the retirement of Wardell) with Le Souëf simultaneously promoted to superintendent. The cost of the Mint upgrade and refurbishments had to be borne by Victoria’s state treasury.

Le Souëf later wrote that the Treasurer Sir William McPherson came forward with a sum of £20,000 in 1915 to enable the Melbourne Mint to start coining silver. According to Le Souëf *“he demurred at first, but I assured him we would repay it all in six months and that it would earn hundreds of thousands”*. In Le Souëf’s application for the D.M.M. position on Bagge’s retirement, he wrote to Bagge *“our united efforts to secure the minting of the Australian silver coinage were almost immediately successful”* and went on to include the extra revenue to the Mint derived from coinage charges was some £90,000 between 1916-1921.

Improvements were made to the Melbourne Mint buildings with electric lighting installed and motors introduced to reduce the dependence on steam. A new marking machine (for creating the necessary raised edge on the planchets before striking) was introduced in 1916 and eventually heavy Taylor & Challan No. 640 coining presses were installed prior to the production of bronze coinage in 1919. The striking of bronze pennies and halfpennies had in the meantime (1916-1918) been subcontracted to the Calcutta Mint.

As supplies of Australia’s own coins became gradually more available after 1910, the Imperial token coinage circulating at the time had to be withdrawn by the branch mints. W. Mullett revealed some of the first large withdrawals were reissued to New Zealand and Fiji while most was returned to Britain.

On 1<sup>st</sup> Nov. 1915 the Melbourne Mint was formally instructed to prepare for striking silver coinage.

Silver was sourced locally from the Broken Hill mines, alloyed with copper and rolled to produce the strip required for blanks. On 27<sup>th</sup> November 1915 dies for the set of denominations were sent from London. However, all did not go to plan, with Mint correspondence indicating that the florin dies were too big for their bolster recesses forcing further modifications and delay at Melbourne.

On 10th January 1916 (just 6 weeks after the dies were shipped) the first shilling was struck by the Governor of Victoria Sir Arthur Stanley K.C.M.G. It seems logical that the Melbourne Mint would begin striking silver coinage with the shilling denomination given its similar physical size to their familiar sovereign.

Author Arthus Andrews stated that the florin was struck almost immediately after sixpences by the middle of 1916 with the threepences finally in December.

It is almost certain that no cased specimen sets were available for the first striking ceremony given the staggered introduction of manufacture for the individual denominations.

The Mint's medal press would have been required and given the (non-medal) quality of the specimen coins and the very short time frame that the dies were available before the first shilling was struck, I think it highly unlikely.

The availability of the specimen silver set was confirmed in November 1916 when Le Souëf, then second in charge, recorded the face value (11£ 5/-) of sixty specimen sets in the Mint Museums' cash accounts (Figure 3).

<u>Sundry Sums for</u>		<u>Coins for Museum.</u>		
1916.				
Jan	Add silver coins in Safe	4 6	Aug. Coins & Tokens bought	4 6
	Specimens from London	6 3	Oct 10 do	3 -
Sept 29	Cash for hardening steel	1 - -	12 2 Large Silver coins (old)	10 -
Oct 10	do	7 6	24 Coin - silver	1 - 6
Nov 1	Cash for newspapers	1 8 -	Nov Coin & Tokens	1 - -
	Specimen pieces 1916 Coinage	11 5 -	18 Tokens	10 -
1917			23 Gold Coins - Finland	9 -
Mar 28	Prem. on case sold	2 3	30 Specimen pieces 1916 Coinage	7 9
Apr. 16	do 3	6 9	1917 20 Aust. Tokens	1 - -
20	1	2 3	Feb. 9 18 Copper coins	6 -
26	1	2 3	15 Silver Coins	1 9 -
			3 Copper coins	1 -
			Mar 30 Double Coin - Chinese Rep. etc	7 6
			Apr 24 Netherland 2½ Guldens	4 -
			25 French coins 5 & 2 Franc	5 3
			May 1 Four large silver coins	16 6
			Forward	7 17 6
	Forward	15 4 9		

Figure 3 - The Mint Museum Cash Account Book

Mint Museum cash account book entries (in A.M Le Souëf's hand) for 1916-1917 confirming specimen coins with a face value of £11 5/- (60 sets at 3/-9d each) were set aside for the Museum in November 1916. The left page presents cash in, the right side cash out. These accounts also reveal that proceeds from the provision of odd external services, sale of newspapers (and later barrels) were used for the purchase of coins by the Museum. The book entries include the 2/-3d premium charged (above face value) for cased specimen sets (making total of 6/- each when the face value for the 4 coin set is included). Reproduced with the permission of the Keeper of Public Records Public Record Office Victoria, Australia

## The Cased 1916 Specimen Set Description

The small rectangular blue leather case has a hinged lid fitted with a push button clasp (Figure 4). Inside, the base has a plush royal blue velvet lining fitted with roundels of varying sizes to snugly fit the individual coins against a padded satin covered inner lid. These cases were custom manufactured and interestingly they did not include the Royal Mint or Arms insignia as seen on the official London specimen/proof cases of the period. From this one may conclude the sets were a locally authorised endeavour, no Mint records have been found to support the view that they were "officially" struck to proof standards



Figure 4 - The cased 1916 Specimen Silver Set

*The velvet liner inside the case could be positioned as shown here or rotated 180° to produce the descending coin order of florin to threepence in reading left to right.*

The first detailed descriptions I could find of these coins were by the late Australian numismatic expert Ray Jewell - "*the 6d and 3d are brilliant coins while the 2/- and 1/- have a matte finish*". My own detailed examination of the two specimen sets (no cases) in the Museum Victoria collection (Reg. No.'s NU 4799, 5277, 4758, 41483, 4725, 5114, 4656 and 4657) along with three other cased sets broadly confirmed Ray's observations and revealed the following:





*Figure 5 - The coins from the Melbourne Mint's 1916 Specimen Set*

*The four denominations from a cased specimen set. The obverse of all four coins (on the Figures left side) reveals the crowned effigy of King George V by the Australian sculptor Sir E. B. Mackennal. The reverse of each coin (on the right side) depicts the Australian ensigns' armorial (coat of arms) with the letter M at the bottom under the date. These spectacularly toned specimen coins reveal the characteristic variable surface finish across the set.*

## **What constitutes a top grade 1916 Specimen set?**

It cannot be overemphasised that the set must be supplied with its original case. The presence of the case and toning to all the coins gives authenticity to the set. Naturally some cases have received more than their fair share of loving attention or poor storage and exhibit faded surfaces and frayed edges. The surface condition of the coins is problematic as these cases have gradually released chemicals over the last 93 years. This chemical cocktail has led to those coins continuously stored in their cases becoming heavily toned. Given the different mirror and matte surface finishes of the four coins don't expect the toning to be identical. Providing the toning has eye appeal it will not impact on value and I would be suspicious of any bright white specimen given their age.

## **Conclusion**

The Melbourne Mint's iconic 1916 cased specimen set is a worthy introduction as the first issue of that select group of predecimal Australian coins specially made available or struck for collectors. It's scarcity and high market value is starkly contrasted by the possibility for the average collector to acquire individual circulated coins struck from the same dies. The mystery of what became of the remaining sets in the Mint's final years, adds further interest for all and hope to those who wish to join their select group of owners. The cased set stands out as the first Australian made presentation of her own designs made with her own silver.