

coinworks

Presents

AUSTRALIA'S
CURRENCY HERITAGE
1813 - 1937

History

About Coinworks

Coinworks has long been regarded as the leader in its field and enjoys an enviable worldwide reputation. The Company is situated in Toorak Road, South Yarra, Melbourne.

Coinworks reputation mirrors the ideals and principles of Managing Director Belinda Downie, who has been involved in the numismatic industry for more than 44 years.

Testimony to her business skills and credentials, Belinda was appointed President of the Australasian Numismatic Dealers Association Inc. (ANDA) in 2016.

Recent Company achievements include collaborating with the Macquarie Group in 2013 in an exhibition that celebrated the 1813 Holey Dollar and Dump. Appointed sole agent in 2014 to sell the very first banknote of the Commonwealth of Australia. And again in 2015, appointed sole agent to sell the banknotes from the personal collection of Prime Minister Andrew Fisher.

Buying through Coinworks

Coinworks clients are informed. Through the myriad of articles posted on our website and by way of our newsletters. Coinworks

aims to inform and educate clients enabling them to make learned buying decisions.

Coinworks inventory is hand-picked, personally inspected by Coinworks to ensure that it meets our quality standards. The provenance also is well established.

All Coinworks inventory is individually and professionally photographed. We do not use generic photographs. And each piece is individually described and presented in its historical context.

Selling through Coinworks

Coinworks has a long and successful history of brokering private sales for its clients.

Coinworks maximises the return to vendors by showcasing each coin and banknote on our web site or in specialised catalogues.

We also buy back coins and banknotes. In fact, a major source of our stock comes from Coinworks clients.



AUSTRALIAN RARE COINS DEFINE OUR HISTORY

By definition, rare coins are limited in supply and therefore much in demand. They are rare survivors of a point in history and represent significant eras in Australia's past.

The highest quality coins have been well cared for over the years, have a strong artistic element and are aesthetically pleasing, with a refinement and elegance clearly visible to the naked eye.

The narrative of Australia's coinage is not only an historical story. It is also the story of individuals. The producers, and the artisans, that refined the raw metal dug out of the ground transforming it into valuable pieces of Australiana.

English entrepreneur W J Taylor would never have imagined that his scheme to establish Australia's first private mint in Melbourne in 1853 would create one of the nation's rarest and most valuable gold coins. Nor Joshua Payne when he created the dies for the striking of the nation's first gold coin one year earlier at the Government Assay Office in Adelaide.

The narrative of Australia's coinage is also about the collectors that have owned them. Coins can say as much about the people that owned them as they do the point in time that each represents.

It is with pleasure that we present highlights of Australia's currency heritage, 1813-1937.



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.



2.



3.

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.



Palma



One of the very finest quality 1852 Adelaide Pounds



1852 ADELAIDE POUND

It's accepted wisdom that the gold rush that brought people and prosperity to Victoria and New South Wales in the mid-19th Century was good for everyone. However, for the people of South Australia, it could well have signalled a catastrophe.

It took a master stroke on the part of South Australia's legislators to avert disaster and lay the foundations for a stabilised currency in the young colony.

It also led to the creation of Australia's first gold coin, the Adelaide Pound.

In 1850 South Australia was, like any fledgling colony, struggling to find its feet after the inevitable financial difficulties of its foundation years. With a population reaching 50,000, burgeoning mining, agricultural and pastoral industries, and an estimated cash value of £211,480, there was an air of increasing prosperity.

This, however, masked an over-confidence that resulted in rising prices, high wages, unwise speculation and an over-stocking by merchants.

For those who cared to see it, the year 1851 opened up with all the portents of a coming crisis. The discovery of gold in NSW led some of the more venturesome males to strike out for the diggings; when the Victorian goldfields opened up the following year, the trickle became a flood, and by March 1852 over 8,000 of the menfolk had gone east, taking with them not only manpower but also cash resources - about two-thirds of the available coin travelled out of the state.

As the two main pillars of national activity, labour and capital, literally walked out, prices plummeted, property plunged, mining scrip nosedived, and Adelaide took on the air of a ghost town, with row after row of tenantless houses.

It got worse. The cash-strapped banks pressed their debtors for cash payments, but as the majority of debtors were merchants with their capital tied up - disaster beckoned.

The general pessimism lessened in January 1852, when about £50,000 worth of gold arrived in the colony. Even so, on account of the scarcity of coin the merchants and banks were forced to accept gold dust in payment for goods.

Calls were made for the establishment of a mint and the issuing of a coinage, but this was seen as being in direct violation of the Royal Prerogative - the colony had no authority to mint and issue coins.

In desperation a reward of one thousand Pounds was offered for the discovery of a gold field in South Australia



Adelaide Assay Office Gold Ingot

Then came the Bullion Act introduced into Parliament on the 28 January 1852: one of the quickest pieces of legislation on record, with the whole proceedings taking less than two hours. In short, the Act allowed the receiving, assaying and stamping of gold into ingots.

The ingots were never intended to form a currency, but could be used by the banks to increase their note circulation, based on the amount of assayed gold deposited.

The Act compelled the banks to increase their note circulation to meet all assayed gold deposited, effectively depriving them of control over their currency issues. The notes were payable in Sterling or coin, which put huge pressure on the banks to import sovereigns to support their note issues. Sudden termination of the Act could mean temporary insolvency if the banks had insufficient Sterling or coin to redeem their notes.

Needless to say it didn't receive unanimous approval in South Australia, with the Bank of Australasia declining to issue notes in exchange for ingots. This placed a huge burden on the other two banks.

Neither was there support from the eastern states: Melbourne's Argus condemned the Act as dangerous, radically unsound and interfering with the natural laws of commerce. But these protests were motivated by self-interest, as South Australia posed a real threat to the Victorian economy by re-directing capital and labour away from the Victorian gold fields.

The first Assay Office opened on 10 February 1852. Its activities were supported by a state government initiative to provide armed escorts to bring back the gold from the Victorian diggings. By the time the first escort arrived, a second assay office had been established, and

Joshua Payne was appointed die-sinker and engraver. By the end of August 1852, over £1 million worth of gold had been received at the assay offices.

But the banks were still under enormous pressure, being forced to import sovereigns to meet the extent of their note circulation.

On 23rd November 1852 the government responded to agitation from both the banks and the public for the minting of gold coins, and passed the second part of the Bullion Act.

Within a week 600 gold coins (known today as the 1852 Adelaide Pound) had been delivered to the South Australian Banking Company, 100 of which were sent to London.

The Bullion Act had a lifetime of only twelve months. By the time the legislative amendments were passed to enact the production of gold coins, the Act had less than three months to run. As a consequence, only a small number of Adelaide Pounds were struck (24,648) and very few actually circulated.

When it was discovered that the intrinsic value of the gold contained in each piece exceeded its nominal value, the vast majority were promptly exported to London and melted down.

That goes a long way towards explaining why so few Adelaide Pounds survive today (approximately 250) and why the highest-quality examples command such high prices.



1852 CRACKED DIE ADELAIDE POUND

History records that the striking of Australia's very first gold coin at the Adelaide Assay Office was plagued with problems.

Excessive pressure exerted during the minting process cracked the first obverse die. A second obverse die was then taken up to continue striking coins.

First die? Cracked Die? Second die? It all sounds a little bit pedantic but it is a fact that the designs of the first two dies used in the production of the Adelaide Pound were different. The first die featured a beaded inner circle and produced approximately 40 coins before a die crack was noticed. (That's why the terms First Die and Cracked Die are synonymous.)

A second die, featuring a crenellated inner circle, was then taken up and was used to strike a further 24,600 Adelaide Pounds.

Not only is there a distinct design difference between the coins struck from the first and second die, what is

obvious from the figures is that those Adelaide Pounds struck using the first die are incredibly rare. Our experience affirms its rarity. In a career that spans forty-plus years we have handled less than ten examples.

Having accepted the rarity of the coin we now move on to discuss the quality levels that are available to buyers.

It is a fact that the majority of Adelaide Pounds from the first run are found today well worn. And that is not surprising. Because the die cracked, the coin was viewed as being faulty, so very few examples out of the first run were kept as souvenirs.

The Cracked Die Adelaide Pound is an iconic Australian rarity with less than forty examples available to private collectors, across all levels of quality.



Port Phillip Kangaroo Office Gold Sixpence



1853 PORT PHILLIP KANGAROO OFFICE

The Kangaroo Office was a bold plan by English entrepreneurs to establish Australia's first privately run Mint. The planning phase began in London, in 1853.

Coining operations commenced in Melbourne in May 1854. Three years on, after substantial losses, the mint was closed.

While the plan had all the hallmarks of a farce, it left an important legacy for today's collectors and historians.

William Joseph Taylor was an Englishman, and by trade an engraver and die sinker, active in the numismatic industry producing both coins and medals. He was an entrepreneur. And a shrewd businessman.

Towards the end of 1852 Taylor became aware that gold could be bought from diggers on the Ballarat fields at greatly reduced prices. His plan was to establish a private mint in Melbourne, strike gold coins and release them at their full value in London.

Taylor formed a syndicate with two colleagues, Hodgkin and Tyndall: the three investing £13,000 in the enterprise. They chartered a fully rigged 600 ton vessel to transport the coining press, the dies and two employees, Reginald Scaife (manager) and William Morgan Brown (assistant).

The vessel was aptly named 'The Kangaroo', then, as now, a symbol of Australia. Taylor's mint was known as the Kangaroo Office and was situated near Melbourne's Flagstaff Gardens in what is now Franklin Street West.

'The Kangaroo' arrived at Hobsons Bay on 23rd October 1853, and the huge coining press was deposited on the wharf. And there it sat. Unfortunately, it was too heavy to transport. The only option was to take it apart and move it, piece-by-piece, to the Kangaroo Office, where it was reassembled and put into working order.

The Kangaroo Office eventually commenced operations in May 1854, striking gold coins. To thwart currency laws, the designs were made to look more like weights than coins. Taylor himself cut the dies for a 2oz, 1oz, 1/2oz and 1/4oz gold piece, each dated 1853.

The Kangaroo Office operated for three years striking examples from the original dies, although how many of each is unknown.



Port Phillip, Kangaroo Office, Gold One Pound Quarter Ounce



Port Phillip, Kangaroo Office, Copper Twopence

We do know that William Morgan sold a complete set of the four kangaroo patterns to the British Museum and was said to have informed the museum staff that a total of 27 sets were struck, of which all but one had been melted down. Reginald Scaife also told Sydney numismatist Dr Walter Roth that only one set had been issued in Melbourne. This set was displayed at the 1854 Melbourne Exhibition but what happened to it after that is unknown.

Between one and three pieces have come to light over the last century. The US Collection in Philadelphia has 1/2oz and 2oz pieces. In 1892, Sotheby's London sold a 1oz, 1/2oz and 1/4oz coin as part of the famed Montagu Collection: the 1/4oz eventually becoming part of the Quartermaster Collection. In 1954, US collector J J Pitman acquired the 1oz and 1/4oz pieces contained in the collection of King Farouk of Egypt. The coins to this day remain missing, either stolen or melted down.

In 1976 a staff member of Sotheby's London noticed a 1/4oz piece dangling from a client's charm bracelet. The mount was removed, the coin later selling for \$17,180. That piece also made its way into the Quartermaster Collection.

The Kangaroo Office was under financial pressure right from the outset. By the time the mint was operational gold, which had been £2/15/- per ounce when the plan was hatched, had moved up to £4/4/- an ounce. And there was a glut of English sovereigns in circulation.

Despite the financial challenges of the operation Taylor was unconvinced that his days as a coin designer and manufacturer were at an end. In 1855 he produced dies for the striking of a sixpence and shilling in gold, silver and copper. This was his first attempt at producing a piece depicting a value rather than a weight.

The coins display the same broad engine-turned rim, the obverse featuring a superb portrait of Queen Victoria with VICTORIA and AUSTRALIA embedded in the rim. The reverse features the denomination in figures at the centre and in letters embedded in the rim above.

William Taylor also produced patterns for a fourpence and twopence struck in copper; the former featuring Britannia on the obverse and the figure '4' on an engine turned background. The twopence features the kangaroo with Melbourne above it: the obverse similar in style to the fourpence.

Taylor operated his Kangaroo Office for three years during which time he sustained substantial losses. With all hope of a profit gone, the dispirited promoters in London issued instructions for the Kangaroo Office to be closed.

Now while it is true that Taylor never achieved his ambitions, the Port Phillip Kangaroo Office Patterns are revered by collectors and investors in Australia. And right across the globe. The coins struck at Melbourne's 'Kangaroo Office' in the 1850s have been owned by some of the greatest collectors of our time: Montagu, King Farouk of Egypt, J J Pitman and Tom Hadley to name but a few.



1855 Sydney Mint Sovereign

1855 SYDNEY MINT SOVEREIGN AND HALF SOVEREIGN

Unlike South Australia, which overcame a currency shortage by striking the Adelaide Pound, without British Government approval, Victoria and NSW followed protocol and petitioned for a branch of the Royal Mint to be established in their colonies.

In fact Sydney had applied for a branch of the Royal Mint as far back as December 1851.

On the 9th August 1853 Queen Victoria approved an Order in Council prepared by the British Government to establish Australia's very first mint at or near Sydney, in New South Wales.

Although it was initially envisaged that the Sydney Mint would produce imperial design sovereigns, it was decided that, as the coins would be legal tender only in the colonies, a design specifically attributed to the Sydney Mint should be produced.

Designs of Australia's first gold coinage were prepared in 1853 at the Royal Mint London. The Royal Mint also manufactured the dies. But this was simply a planning and testing phase for it would be another two years before Australia would strike its first gold coin.

As part of this testing process, the Royal Mint struck proof quality pieces depicting the 1853 designs as an historical record of their work: a total of three pairs each comprising an 1853 Proof Sovereign and an 1853 Proof Half Sovereign. Today, one pair is held in the British Museum and another in the Royal Mint Museum, Wales. Only one pair is held in private hands owned by Queensland collector Tom Hadley. (See later paragraphs regarding proof coins.)

Two years later the designs had been approved. Dies produced at the Royal Mint London, and dated 1855, were despatched to the Sydney Mint which had been established on the site of the old Rum Hospital in Macquarie Street.

The mint began receiving gold on May 14, 1855, and issued its first sovereigns soon after on June 23.



Records indicate that 502,000 sovereigns were struck in the Sydney Mint's first year of operation and only 21,000 half sovereigns.

Though the reverse side featured a uniquely Australian design, with the words Australia and Sydney Mint featured boldly, the obverse side was similar to English coins with the plain, ribboned head of Queen Victoria. The reverse design has fascinated historians and collectors alike for decades. The coins were inscribed with the national name, Australia, even though the country was operating as separate colonies. Australia did not operate under a single government until Federation in 1901.

The Australian flavour of the nation's gold coinage was strengthened in 1857 when the design was altered to incorporate a sprig of banksia in the Queen's hair.

This touch of colonial pride seems to have gone unnoticed in London for a number of years until, in 1871, approval for the Sydney Mint design was abruptly revoked and Australian Sovereigns once again took on the traditional British flavour.

Not only was the banksia removed from Queen Victoria's hair, but two new reverse designs were also introduced – the traditional British St George and the Dragon, and a shield design, which ran in parallel.

It was also at this time, in 1872, that the Royal Mint established its second Australian branch office in Melbourne.

To celebrate Queen Victoria's Jubilee in 1887, a new obverse portrait design was introduced, and at the same time, the reverse shield design was discontinued on the sovereign only. The jubilee design continued until 1893, when the Queen's portrait was modified to reflect her age, known as the veiled head design. It was at this point in time that the reverse shield design on the half sovereign was also discontinued.

The Royal Mint established its third Australian branch office in Perth in 1899.

Australian sovereigns were minted from 1855 until 1931. An amazing 47 of those years were in the reign

of Queen Victoria. After her death in 1901, the coins featured King Edward VII from 1902 to 1910, and then King George V from 1911 to 1931, when Australia's last sovereign was struck.

The half sovereign, which was also first minted in 1855, was discontinued much earlier, in 1918. Half sovereigns were minted in far smaller numbers than sovereigns, and there were many years when the pieces were not struck at all.

For collectors, many of the dates within the sovereign and half sovereign series are challenging to acquire, particularly if consideration is given to quality. It has to be remembered that these coins were struck for circulation to be used in every day commerce.

Even more challenging for collectors is the acquisition of the series of Australian gold proof coins, kick started in 1853 with the proof sovereign and half sovereign struck at the Royal Mint London.

The striking of proof coins by the Royal Mint was a tradition that had gone on for centuries. And it was a tradition that was later on taken up by the Sydney Mint in 1871, the Melbourne Mint in 1873 and the Perth Mint in 1899.

The intention with proof coinage was to create limited mintage presentation pieces struck to the highest quality standards.

The term 'proof' is a style of coining that today's collector market is very familiar with. The Royal Australian Mint in Canberra has been striking proof coins for collectors since its establishment in 1966.

But there are two very glaring differences between today's market and that which was in existence more than a century ago. The mintages and the regularity of the issues. The mintages more than a century ago were minuscule. And their striking was sporadic.

The rarity of our colonial gold proof coins in today's market is the very reason why they have been, and still are, the choice of investors.



1919 Square Penny Type 3 and one of the finest

1919, 1920 AND 1921 SQUARE PENNY

The Square Pennies and Halfpennies are evidence of the Labor Government's grand plan in the 1920s to overhaul the nation's coinage, to break away from British designs and traditions by introducing a uniquely Australian Penny and Halfpenny.

Some may say it was the rumblings of a Republican movement way ahead of its time.

The mood of the nation had changed after World War I. A laughing kookaburra design and the depiction of the monarch without a crown were two of the elements of the new coinage that while highly contentious and provocative, the Government hoped would be accepted, caught up in the wave of nationalism that was sweeping the nation post World War I.

Trials of the intended square penny coinage began at the Melbourne Mint in 1919 and continued for a further two years.

Four different coin designs were tested in 1919 and we refer to them as the Type 3, 4, 5 and 6.

Five were tested in 1920 and they are referred to as the Type 7, 8, 9, 10 and 13. The out of step sequence in those dated 1920 occurred with a discovery in the mid-1970s during a stock take when a previously unrecorded design was found. Only two designs were tested in 1921 and we refer to them as the Type 11 and Type 12.

The mint tested the production of square halfpennies in 1920 and 1921 producing coins that while absolutely engaging highlighted the impracticalities of a diminutive sized square coinage. They are referred to as the Type 1 and Type 2.

The test pieces were ultimately given to dignitaries and Government officials to assess their reaction.



1921 Square Halfpenny and one of the finest



1.



2.



3.

1. 1919 Type 4 Square Penny, reverse
2. 1919 Type 4 Square Penny, obverse
3. 1920 Type 10 Square Penny, obverse with crowned monarch

The response was poor. There was a general public resistance to change, while the elderly rejected the small size of the coins. However, the final decision not to proceed seems to have been based mainly on another consideration – the large number of vending machines then in operation required a circular penny.

The impetus for change was further eroded when William Watt, the most influential advocate of the nickel kookaburras, suddenly resigned his position as Treasurer before the necessary regulations were in place.

The kookaburra coins never went into production and Australia lost a great opportunity to go its own way. But with only the 200 prototypes to show as evidence of the Government's grand scheme, Australian coinage gained another wonderful collector piece.

For many collectors the fascination with the Square Penny and Halfpenny takes them on a journey to acquire more than one example. The coins are engaging and their rarity offers collectors the challenge that they so often seek.



1930 PENNY

The 1930 Penny is a part of Australian folklore. The coin is a national icon and its star status has made it one of Australia's most valuable coins.

Before the arrival of decimal currency in 1966, no Australian could look at a penny without glancing at the date, just in case it was the elusive '1930'. A product of the Depression, it was everyone's chance to make big money fast.

The accidental minting of the 1930 Penny was not discovered until the 1940s. Dealers responded to the discovery by offering to pay up to 10/- for an example. However, it wasn't until the 1960s that the 1930 Penny became a national symbol. Newspapers were instrumental in creating that image, television played a lesser role.

Lists of Australian coins and their market prices and headlines such as "Have you cashed in on Australia's coin craze yet?" and "A Penny could be worth £500" appeared in the 60s in the daily newspapers. The nation's rare coin market reacted in a frenzy as thousands cashed in on the opportunity to make big money.

In 1964, the Sydney Sunday Telegraph published a guide to the latest prices on Australian coins. It was the first time that such a list had been published and, while most pennies were fetching a small premium over face value, the 1930 Penny was listed at £50 in Fine condition (today that same coin would be worth more than \$20,000).

By 1965, a Fine 1930 Penny had more than doubled in price to £120. By decimal changeover, the price had moved to £255 (\$510) and the 1930 Penny had captured the imagination of collectors and non-collectors alike.

The craze was fuelled on the one hand by the lure of quick money and on the other by the pressure of the collector market for supplies. Decimal currency changeover posed an imminent and very real danger to coin collectors – the melting down of undiscovered rare pieces. Collectors keen to complete sets of all coins minted in Australia rushed to acquire the elusive pieces at rapidly escalating prices.



1930 Penny

What's most interesting is that the 1930 Penny stumbled into fame. It was the coin that was never meant to be struck.

Officially the 1930 Penny was never struck and a review of minting records at the Melbourne Mint confirms that no pennies were struck for circulation in that year. The mint does however have a record of the six Proof 1930 Pennies that were struck as museum pieces.

Many theories have been put forward as to the accidental minting of the 1930 Penny. One theory postulates that a number of circulating strikes may have been minted at the same time as the Proof version, set aside and inadvertently issued years later by mistake.

The more popular explanation is also the more romantic. Mint policy dictated that the dies were prepared in readiness for the striking of a penny in 1930. The Depression and the lack of economic growth meant that, apart from striking a small number of halfpennies and gold sovereigns, the Melbourne Mint became a

tourist attraction. It is thought that a mint guide minted small batches of 1930 pennies for tourists as souvenirs of their visit.

The suspected mintage is 1500 to 2000.

There are no pennies being checked in schoolyards anymore, but for many collectors the journey to acquire our most famous penny still goes on.

The 1930 Penny is still to this day the glamour coin of the numismatic industry and is unrivalled for popularity, enjoying a constant stream of demand unmatched by any other numismatic rarity.

There is no doubt it is an industry phenomenon, for in a market that is quality focused it is interesting to note that the 1930 Penny is keenly sought irrespective of its grading – and growth over the mid to long term has been significant across all levels of quality.



1937 Pattern Penny

1937 PENNY, FLORIN, SHILLING AND THREEPENCE

Most Australians are familiar with the 1937 Crown, struck to celebrate the coronation of King George VI. But we ask ... have you ever seen an Australian penny dated 1937? Or a 1937 halfpenny for that matter?

And what about the silver coins. Start searching through that old jar of coins for a 1937 florin, shilling, sixpence or threepence. Have you found any of these?

There is a 99.99% chance that you will answer 'no'. And the reason is simply that the Australian Government only released the Crown into circulation in 1937.

A 1937 Penny does exist. So does the 1937 florin, shilling and threepence. But they are rarities of the highest order and were only struck as test pieces and were never released into circulation.

King George V died on 20th January 1936 and his brother, King Edward VIII, ascended the throne. The Australian Labor Government, under Prime Minister Joseph Lyons, had planned to introduce new reverse designs to coincide with the new obverse designs of the changing monarch.

The new designs were a radical departure from the traditional 'British designs' adopted after Federation and were prepared with a strong focus on Australia's national identity.

As the Royal Mint London still prepared the master dies for the Melbourne Mint, the mint struck test pieces for the Australian Government of the revised obverse and reverse designs but only of the florin, shilling, threepence and penny.

The Government's plans were thrown into disarray when Edward abdicated the throne on 11 December 1936 so that he could marry American divorcee Wallis Simpson.

The four new Australian coins never made it beyond the pattern stage. The test pieces were however preserved for posterity. And in each case, the obverse design depicting Edward VIII was removed by tooling off.

In the Australian coin series, the 1937 Penny, florin, shilling and threepence are the only vestiges of King Edward VIII's brief and controversial time on the British throne.

The coins are excessively rare and have been owned by some of the greatest collectors of our time. They also are acclaimed worldwide. It was an international incident that impacted globally.



1937 Pattern Florin, a rarity of the highest order



1.

1. 1937 Pattern Florin with obverse tooled off
 2. 1937 Pattern Shilling
 3. 1937 Pattern Threepence
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The florin was struck depicting a revised Australian Coat of Arms. Five are believed held in private hands.

The merino ram's head became the feature design of the shilling. Seven are believed held in private hands.

The threepence was struck featuring the three ears of wheat. The rarest of all the 1937 pattern coins, only three are held in private hands.

In the case of the penny only, the portrait of Edward VIII was tooled off and the word 'MODEL' was struck onto the blank face. Six such coins are believed held in private hands.

With obverse designs featuring George VI, Edward's brother and successor, being prepared in 1937, the Royal Mint London issued a further small number of 1937 patterns, but only of the penny.

This featured the bounding kangaroo design on the reverse side and the portrait of the new monarch on the obverse side.

Again six examples of this coin are believed held in private hands.



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3.

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