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What is a Proclamation Coin?

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The definition of what constitutes a 'proclamation coin' has been the subject of conjecture in Australian numismatics for many years. Given the not insignificant body of work that covers this section of our numismatic heritage, one would have thought that the term had already been more than adequately defined. As one who regularly deals with collectors active in this field, I can confirm that...just what defines a proclamation coin?...remains for many collectors a question of some concern; especially once they become more familiar with the background of Australian colonial coinage.

A narrow understanding of what constitutes a proclamation coin is only a concern if collectors draw incorrect conclusions about the flows of capital and, as a result, about the character of trade in colonial Australia. I believe this is the case at present.

One could argue that by assuming a relatively narrow understanding of the term 'proclamation coin', many collectors would incorrectly believe that the only specie accepted in trade in colonial Australia comprised those coins officially proclaimed by the colonial government and, by extension, that colonial merchants were willing to accept other constraints imposed by the government. Any experienced numismatic researcher is well aware that this was certainly not the case.

So, from where did the term 'proclamation coin' originate and why has it been so widely accepted? According to the results of my research so far, the origin of the term is uncertain, although it seems to have become common usage late in the 20th century:

Coleman P Hyman, in 1893, did not make reference to the term; instead, in the Sydney Gazette and elsewhere he referred to 'foreign' coinage;

Arthur Andrews did not use the term, and instead, discussed the *Coins Current in the Early Days of Australia* in 1921; Gilbert Heyde did not cover the period in his modest booklet of 1945, *Coins*;

The term is absent from the 1954 catalogue of the Reginald Marcus Clark collection, prepared by the auctioneers James R Lawson;

John Gartner did not cover the period in his *Australian Coin Catalogues* of 1964 and 1965;

Tom Hanley and Bill James did not use the term in their book of 1966, *Collecting Australian Coins*;

Roger McNeice does not mention the term in his work of 1969, *Coins & Tokens of Tasmania*;

Philip Spalding did not use the term in his work of 1973, *The World of the Holey Dollar*;

Dion Skinner first makes space for the series in the 7th edition of 1973 of

Rennik's Australian Coin and Banknote Guide, perhaps building on an article that appeared in the *Australian Coin Review* in October 1964 entitled *Australia's Proclamation Money*.¹

Estella Robinson (in 1978)² and Greg McDonald (in 1983)³ both made use of the term (in the correct context) in their respective publications, confirming that the term 'proclamation coin' had entered common usage by the late 1970s and that it had become almost a *de facto* descriptor of all coinage that circulated in colonial Australia.

In his 1981 work, *Coinage and Currency in New South Wales*, Bill Mira correctly defines the use of the term 'proclamation currency' as denoting 'all those [coins] specifically listed by the authorities'.⁴

Although the term *should* include all coins covered by official proclamations, this treatment is in reality unfortunately somewhat impractical. No definitive list of Proclamations and General Orders issued by the colonial governors of NSW is readily available to collectors.

A survey of the archives of the State Records of New South Wales confirms the existence of twelve currency-related pronouncements issued between 1788 and 1825. At least one proclamation is known earlier than November 1800, setting the official value of the Spanish dollar in September 1791 at five shillings.⁵ NSW State Archives staff believe that this document, as well as many others from the period, were destroyed during the Rum Rebellion and the interregnum period following it. This resulting lack of official

documentation means that the acceptance of a relatively broad definition will be limited. Furthermore, the decrees that have survived cover the same coins on more than one occasion; a definitive list then becomes difficult to compile, even though the facts are at hand.

In my opinion, the most practical application of the term 'proclamation coin' is to use it to refer to the eleven coins listed by Governor King's decree of 19 November 1800, and to those coins alone:

A Guinea	£1/2/0d
A Rupee	2/6d
A Half-Johanna	£2
A Dutch Guilder	2/0d
A Gold Mohur	£1/17/6d
An English Shilling	1/1d
A Spanish Dollar	5/0d
A Copper Coin of 1 oz.	0/2d
A Johanna	£4
A Ducat	9/6d
A Pagoda	8/0d

Although it was neither the first nor the last pronouncement between 1788 and 1825 regarding currency issued, Governor King's edict of 1800 was easily the most comprehensive and certainly the most widely referred to. If this edict is accepted as authoritative, the novice collector will be able to use it as an entry point into the admittedly complex field of Australian colonial coinage.

How then can novice collectors more easily understand the full range of coins used by the early colonists of Australia? According to Andrews (1921):

Many foreign coins as well as British issues were current in Australia during the early years of settlement...almost

*any coin passing for the value of its metal content when at all near purity.*⁶

The economic historian, Edward Shann, in his book *An Economic History of Australia*, argues that it was ‘the free activity of the free’ that was the driving force behind the economic development of colonial Australia. If this point of view is correct, Shann’s statement indicates that it was the preparedness of the colony’s first merchants and traders to accept risk that saw the colony grow from penal settlement to eventually become a self-sufficient settlement.

The reason Governor King had laid out the values for which eleven specific coins were to be accepted in trade was to enable colonial merchants to feel secure in accepting them; their value had been set by proclamation. I believe the majority of the transactions that involved specie would have been conducted along these lines, but there is little of Shann’s ‘free activity of the free’ in this understanding.

It is when a solid gold or silver coin *not* in King’s list was offered in trade that the merchant’s entrepreneurial character would have again been demonstrated. One of the first prominent authors on the topic of enterprise, the Irish banker and economist Richard Cantillon, defined entrepreneurs (in 1755) as those ‘who buy at a certain price, and sell at an uncertain price’.⁷

By accepting a coin not listed in King’s proclamation, a colonial merchant would effectively have been selling his goods at an uncertain price—the liquidity and value of a non-proclaimed coin would have been determined solely by other merchants in the market, rather than a government regulation. The question then becomes: *Just how often would merchants*

in colonial Australia have been prepared to accept non-proclaimed coins in trade?

It defies logic that someone who had already risked his livelihood and the well-being of his family by relocating to a penal outpost, quite literally on the far side of the world, ploughed his life savings into a completely new business venture and staked a significant amount of his capital on perishable stock would have suddenly stopped accepting risk completely when it came to the form of payment that he received. It defies belief that an emancipated convict who had turned his hand to trade, and was building wealth through hard work, wits and perseverance, would have been greatly concerned about accepting specie *not* on a prescribed list laid out by the Governor, providing of course it was familiar and appeared to be of sound weight and purity.

Although accurate and verifiable evidence on this topic is relatively scant, there are records demonstrating that numerous coins outside those proclaimed by the colonial government were encountered by, or related to, Australian colonists prior to 1825. Some of the more notable records are listed here:

David Collins describes members of the First Fleet paying residents at the Cape of Good Hope in Rix-dollars and ducatoons for board and food while on the outbound trip to NSW⁸;

Watkin Tench describes members of the First Fleet encountering *vintins* and *petacks* when in Rio de Janeiro⁹;

Coleman P Hyman opines that: ‘it is impossible to know which of the mohurs is referred to’¹⁰, meaning that coins from either Bombay or Bengal could have been seen on our shores. He also recounts an article in an edition of the Sydney

Gazette issued July 1803 covering the theft of (among other things) 'several pieces of silver foreign coin'.¹¹

Hyman further comments on the relevance to the specie of colonial NSW of the silver 'bit' found in the Dangar collection¹², and on this theme, Philip Spalding recounts the story of the exiled rebel Irish General, Joseph Holt, who very shortly after his arrival in NSW received in change 'three small pieces of silver in a triangular shape, the value of which I do not know'.¹³ Spalding fails to mention the primary source of this comment; which is quite likely to be found in one of the four major works covering the life of Holt. Spalding notes the conversion of Spanish dollars into token coinage for use at the Dutch colony of Batavia¹⁴ and also the 'Ship Guilders' of 1802¹⁵, but does not describe any of these coins as being in use in New South Wales.

A Tasmanian Government and General Order dated 31 December 1825, covered the rate at which certain coins would be provided to British troops serving in the Colonies, if British silver coinage happened to be unavailable to the paymaster. The coins listed in this Government Order included the French five and two francs; the Sicilian *scudo*, 40 grains and 20 grains, the dollar of the United States of America and the rupees of Bombay and Surat.¹⁶

Spalding recounts a well-known tale regarding the first man to be hanged on Australian soil, the young Thomas Barrett. Barrett passed off a forged 'quarter dollar' (Spanish two real) piece while the First Fleet was anchored at Rio de Janeiro.¹⁷

Spalding surmises that with the expansion in trade following the appointment of (Lieutenant) John Macarthur in 1790, increased numbers of the prevailing gold

trade coins of the day would have been seen on our shores: coins such as:

*the Escudos and Reis of Portugal and Brazil.... The world-wide Spanish 'Dubloon', the Louis D'Or of France, and later gold coins from several provinces where the East India Company had established trading posts.*¹⁸

He further surmises that:

*in the pockets of visiting seamen, there must have been silver coins of France and Portugal: the silver ecus of the former, or a cruzado, picked up in Rio.*¹⁹

Roger McNeice notes that there were:

large quantities of German Thalers circulating in Hobart Town during the latter 1820s from the various ships that discharged cargo at Hobart itself.

McNeice cites an article in the *Tasmanian Colonial Times* dated 14 August 1829 as evidence of German thalers circulating in Tasmania.²⁰ McNeice also recounts the decision by a committee under Governor Arthur not to legalize the tender of dollars from the United States, clearly indicating that these coins were seen at least in modest numbers in Tasmania.²¹

A later notice in the *Hobart Town Gazette* states: 'the American and Mexican dollars will be taken as usual' by the local banks.²² The fact that the same notice mentions that the banks objected to receiving (silver) French five francs confirms that these coins were sighted there, and accepted by some within the colony.

A NSW Government and General Order of 7 December 1816 stated that copper *pence* dated later than 1800 (and logically prior to 1816) were legal tender at face value.²³ This would indicate that the copper pennies of 1806 were seen in NSW, and

perhaps by extension the copper halfpence and farthings.

Conclusion

This modest list of ‘non-proclamation’ coinage known to be related to the history of colonial Australia has been compiled following a reasonably brief survey of the most readily available sources on the topic and I am quite certain that a more comprehensive list could be built with a more thorough investigation of general historical works relating to colonial Australia. There is little doubt that the results of such an investigation would help numismatists and all Australians arrive at a more complete understanding of Australia’s first entrepreneurs: that they were men and women prepared to risk their livelihoods at every stage of the business process, including the type of coins they would receive as payment, all for the prospect of an uncertain return.

Notes

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14. Spalding, p 139.
15. Spalding, p 146.
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18. Spalding, p 111.
19. Spalding, p 134.
20. McNeice, Roger. *Coins & Tokens of Tasmania*, Platypus Press, Hobart, 1969, p 12.
21. McNeice, p 14.
22. McNeice, p 20.
23. Butlin, S.J. *Foundations of the Australian Monetary System (1788–1851)*, MUP, Melbourne, 1953, p 80.

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