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Why was it important that holey dollars could not be used outside the colony?

The Tasmanian Museum and Art Gallery has a holey dollar and dump in its collection.

The holey dollar is now the logo for which Australian bank?



MONEY MATTERS: The Royal Australian Mint in Canberra, above, and a New South Wales 'holey dollar', the first currency of Australia, below.

IMAGES: iStock/ chameleonseye/ State Library of New South

FIRST COINS

WHEN you hear the word "money" what do you think of?

Do you think of paper notes and metal coins, or what we might call cash money?

In this country the Reserve Bank of Australia is responsible for producing banknotes, while our coins are made by the Royal Australian Mint.

But our currency has taken many forms.

The first Australians used a barter system, and exchanged items such as food, tools, ochres and shells.

In early colonial times coins from a number of other countries were used - British, Dutch, Indian and Portuguese coins became a form of currency.

But many coins left the colonies of New South Wales and Van Diemen's Land (Tasmania) as a result of trade with visiting merchant ships, creating a severe shortage.

The residents of Van Diemen's Land exchanged 'promissory notes' - written contracts that said the person who issued the note had to pay a sum of money to the recipient at some point in the future.

In New South Wales the coin shortage was exploited by the New South Wales



Corps (the British military force in the colony), and the exchange of rum became a common means of payment.

The officers of the Corps were using their power and wealth to buy all the imported rum and exchanging it for goods and labour, and the deals were very favourable for them.

But the trade of rum was prohibited in 1806 by Governor William Bligh

This move, and a few other decisions by Governor Bligh, eventually led to a very famous event in Australian history - the Rum Rebellion.

Corps soldiers entered Government House and arrested Governor Bligh on January 26, 1808, and took over the running of the colony.

They remained in power until Lachlan Macquarie arrived from England the next year to take over as Governor.

To address coin shortages, Governor Macquarie used a clever idea to create Australia's first official currency.

He imported 40,000 Spanish silver eight reale coins in 1812 and had convicted forger William Henshall cut the centre out of each coin to double their number.

The outer ring became known as the 'holey dollar' and the centre was named 'the dump'.

Governor Macquarie set the value of the holey dollar at five shillings, while the dump was worth 15 pence.

Importantly, these coins could not be used outside the colony.

It is estimated there are only about 300 holey dollars still in existence, which makes them very valuable.

A particularly rare holey dollar, with a special connection to Tasmania, was sold at auction in 2018 for \$500,000.

The original coin was made in 1810 in the Spanish colony of Lima, Peru.

At the time Spain and its colonies were ruled by France and the King of Spain was Joseph Bonaparte, Napoleon Bonaparte's elder brother.

The Spanish eight reale coins at the time bore King Joseph's portrait.

To protest French rule, the Peruvian mint used a portrait of imprisoned Spanish king Ferdinand VII instead.

It was a very ugly version of the coin which became known as the "Hannibal Head".

The "Hannibal Head" holey dollar which sold at auction in 2018 was discovered in Tasmania in 1881, and was believed to be part of a bushrangers stash.

The coin has been bought and sold a few times since, and has skyrocketed in value.

It was sold for \$44,000 in 1988.

It changed hands in 2007 for \$260,000, and also in 2012 for \$410,000.

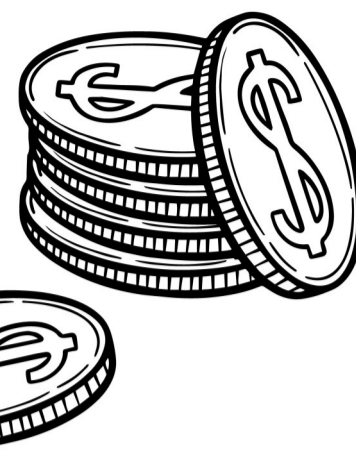
It is one of just two "Hannibal Head" holey dollars known to be in existence.

The other was stolen from the State Library of New South Wales in a major coin heist in 2014, and its whereabouts are unknown.

Holey dollars were recalled by the NSW colonial administration and exchanged for British sterling coinage from 1822, so the vast majority of the original 40,000 were melted down into bullion.

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Design challenge



How well do you know your Australian coins?

Draw a line between the coin values and the obverse images they display.

Five cents 5^c	Aboriginal elder, the Southern Cross and native grasses.
Ten cents 10^c	Lyrebird
Twenty cents 20^c	Echidna
Fifty cents 50^c	Australian Coat of Arms
One dollar \$1	Kangaroos
Two dollar \$2	Platypus

The correct change please

A lot of people don't pay for things with cash anymore. But if you had plenty of notes and coins in your pocket how would you pay the following amounts without needing change? Try to use the least number of notes and coins possible.

\$9.55	One \$5 note Two \$2 coins One 50c coin, and one 5c coin.
\$7.80	
\$5.40	
\$22.60	
\$17.50	
\$1.10	

IF you were asked to design an Australian coin for the Royal Australian Mint what design would you go with?

Perhaps try designing a special Tasmanian coin.

Start with a round coin shape, or another shape if you like.

Did you know the Royal Australian mint released a triangular \$5 coin?

The coin did have rounded edges, but was triangular in shape.

Ten thousand of the silver coins were released to mark the 25th anniversary of Australian Parliament House, and were made of silver.

They could be used as legal tender, but are actually more valuable than \$5, so the coins were purchased by collectors.

Anyway, whichever shape you choose, then illustrate it with a Tasmanian native animal or something else that you identify as Tasmanian.

You don't have to limit yourself to one coin, you could design a whole collection.

Don't forget to include the value of the coin in your design.

Children's University Tasmania members can earn hours in their passports for accepting the challenges on this page, at the discretion of school coordinators.

Australia's own currency made perfect cents

From Page 1

A holey dollar and dump is among the collection of many interesting coins at the Tasmanian Museum and Art Gallery.

By the 1820s England had lifted its production of coins and was able to adequately supply its colonies.

But as the colonies started to expand local currency was required.

Several banks operated in Tasmania during the 1800s.

The Bank of Van Diemen's Land was established in 1823, and by 1825 was circulating official banknotes.

The bank closed its doors in 1891, and its grand looking official premises on the corner of Collins and Elizabeth Streets in Hobart, pictured right, were demolished in 1891.

The stone lions at the buildings front door are now located at the entrance to St David's Park.

Following the discovery of gold in Australia, Queen Victoria consented to the establishment of a branch of the Royal Mint in Sydney, in 1853.

Other branches followed, and Australia began producing its first gold sovereigns



and half sovereigns. A sovereign has a numerical value of one pound sterling, and are still legal tender in the United Kingdom.

But their value to collectors is much higher.

For a start, sovereigns are literally worth

their weight in gold, which is known as their 'bullion value'.

Each sovereign contains 7.32 grams of fine gold, which makes them worth significantly more than one UK pound.

They are worth a lot more than their weight in gold if they are considered a

rare coin because of factors such as their age, condition, the Royal Mint branch where they were stuck and so on.

While a growing number of commercial banks were issuing bank notes, Australia did not have a national paper currency, and we continued to rely on British coins until the 1900s.

That changed in 1910, nine years after federation, when an Australian currency marked 'Commonwealth of Australia' was formed, still based on the British money system of pounds, shillings and pence.

On February 14, 1966, a new decimal system of Australian dollars and cents was introduced, and it remains in place today.

The new coins and notes depicted Australian imagery, with an image of the reigning British monarch on the obverse or "heads-side" of the coins.

Since it opened in 1965, the Royal Australian Mint in Canberra, has made all of Australia's circulating coins - more than 15 billion coins in all.

You can find out more about the mint and access fun learning activities here: www.ramint.gov.au