

935

M I N T.

RETURN to an Order of the Honourable The House of Commons,
dated 11 February 1870;—for,

COPY OF
R E P O R T S O N T H E M I N T.

MEMORANDUM ON THE MINT.

THE death of Mr. Graham affords an opportunity for reviewing the administration of the Mint as it has been conducted during the last 18 years; for contrasting it, on the one hand, with the system which it superseded in 1851, and on the other, with the system of coining by contract observed in some foreign countries; and further for considering whether it may not be susceptible of improvement if maintained on its present footing.

The history of the British Mint records a variety of changes in the system of its management before the change of 1851, which constituted it a manufactory conducted entirely by salaried Government officers; but it appears that, with the exception of a period of 27 years in the 16th century, coining was in this country from the earliest times performed by contract, entered into either direct with the Mint Master, or indirectly by sub-contract through him with the so-called "Moneyers," or, as was eventually the case, by direct agreement with the Moneyers.*

The contract for melting, separate from that for minting, was, at the time of the change in 1851, in the hands of a clerk to the Mint Master.

The Mint Master was originally the contractor, the supervision on the part of the Crown being exercised by the Warden, and a further check on the proceedings both of the Master and the Warden being maintained by the Comptroller.

This threefold organisation was virtually, although not technically, destroyed in 1666 by the Coinage Act, which had the effect of transferring to the Mint Master duties hitherto belonging to the Warden. In 1799 the Mint Master was put upon a salary, and in 1817 the separate office of Warden was abolished.

In the course of the 18th century the Master ceased to be a comparatively permanent officer, having a practical knowledge of minting, and held his appointment as a political office.

The Master was assisted and advised in the internal administration of the Mint by a so-called Mint Board, consisting of the principal officers, and this system continued down to the time of the change introduced in 1851.

In 1848 a Royal Commission was issued to inquire into the constitution and establishment of the Mint.

The Commissioners recommended, *inter alia*, "that the execution by contract of any part of the work appertaining to coinage should cease in every form and degree, and that measures should accordingly be taken for replacing the services of the present contracting parties by those of competent officers, acting wholly in the public interest, and unconditionally subject to the controlling authority of

* N.B.—The agreement was with the Mint Master, who had become then a salaried officer of the Government.

of the head of the establishment." In compliance with the recommendations of this Commission, and after further examination by the Treasury, it was eventually settled in 1851 that the contract with the Moneyers should cease, that the refinery attached to the Mint should no longer remain part of the establishment, that no officer should be allowed to carry on his private business (melting, refining, assaying, engraving, &c.) within the Mint, and that the operations of melting and coining should be undertaken by the Government.

The Mastership of the Mint was made a non-political office on Mr. Shiel's resignation in December 1850, and the salary was reduced from 2,000 *l.* to 1,500 *l.* a year.

It is to be observed that Mr. Shiel, although a member of the Royal Commission which reported so strongly against a system of coining by contract, subsequently expressed to the Treasury "a strong persuasion that the coinage should be carried on by public contract, open to competition, upon such terms and subject to such regulations and conditions as the Master of the Mint, with the concurrence of the Treasury, may deem advisable;" and it was, presumably, in consideration of this advice that shortly after Sir John Herschel's appointment as Mr. Shiel's successor, tenders were called for by the Treasury for the performance of the coining operations of the Mint. Tenders were sent in by Messrs. Rennie, Messrs. Maudslay, Son, and Field, and Mr. G. Nutting. The terms of the contract were no doubt unnecessarily stringent, but the tenders of Messrs. Rennie and Maudslay were very high, and Mr. Nutting was unable to find the required securities for 30,000 *l.* The Treasury determined, therefore, not to accept any of the tenders sent in.

On the rejection of the tenders the necessary arrangements were made for performing the melting and coining operations by means of Government officers, and a "Senior Clerk and Melter," and a "Chief Coiner," with an assistant, were appointed to take charge of the two departments.

By these changes a saving of about 10,000 *l.* a year was effected in the expenses of the Mint.

The only changes of importance which have since been made in the establishment have been the amalgamation (on the resignation of Captain Harness, the Deputy Master, in 1853) of the appointments of Deputy Master and Comptroller, and the abolition of the office of Assistant Coiner, on the death of Mr. John Graham, the Chief Coiner, and the promotion of Mr. Hill, in July 1869. Other reductions have also been made this year to the extent of about 1,300 *l.* per annum.

The period since the re-organisation of the Mint in 1851 has not been marked by any special feature, except the introduction of the bronze coinage in 1861. The larger part of this coinage (over 1,700 tons) was struck by contract at Birmingham, but bronze coin is now struck at the Mint at the rate of about 4 *l.* 10 *s.* per ton less than the contract price.

The annual average expenses of the Mint for the last 10 years, exclusive of those of the bronze coinage, may be taken at 25,000 *l.* The expenses of the new bronze coinage, commenced in 1861, may be reckoned at 100,000 *l.*, against which a gross profit has accrued of 390,000 *l.*

In considering what changes it might be advisable to make in the constitution and practice of the Mint, it will be well to notice—

1. That by the Act 56 Geo. 3, c. 68, s. 11 (1816), it is enacted, that "The gold coin shall hold such weight and fineness as are prescribed by the present Indenture with His Majesty's Master and Worker of the Mint for making gold monies at his Majesty's Mint in London, and with such allowance, called the remedy, as is given to the said Master by the said Indenture, which weight and fineness are hereby declared to be, and shall remain to be, the standard of and for the lawful gold coin of the realm, as far as relates to gold coins of the denominations at present in use, and specified in the said Indenture. And in case any gold coin or coins of any other denomination shall hereafter be coined at the said Mint under any future Indenture, such gold coin and coins shall hold the like standard in fineness as the gold coins of the present denominations, and shall hold such weight as shall be proportionate to the weight of the present gold coins according to the value for which such gold coin or coins of any new denomination shall be declared to be current."

2. That on the 6th of February 1817, a new Indenture was entered into between the Crown and the then Master of the Mint, Lord Maryborough, in which

which provision was made for the coining of gold and silver monies of the old standard of weight and fineness.

3. That on the 17th of December 1850 a Queen's Warrant was issued, authorising Sir John Herschel to coin monies by the old Indenture.

4. That an Order in Council, of the 7th of March 1851, revoked this Warrant, and directed that the Master of the Mint should have power to coin, "subject to the provisions of the statutes in force concerning the gold and silver coin of the realm," and that he should have power to enter into contracts, appoint officers, &c., subject to the directions of the Treasury.

5. That a Queen's Warrant was addressed to Mr. Graham, the late Master of the Mint, on his appointment in May 1855, to the effect that he was in all respects to conform himself to the provisions of the Order in Council of 7th of March 1851.

It appears, therefore, that the Treasury has power to regulate the establishment, mode of working, &c. of the Mint, but not to make any alteration in the weight or fineness of the gold or silver coin; and that consequently a Mint-charge, such as that which it has been suggested should be created, by diminishing the amount of gold in the sovereign, could not be imposed without the authority of Parliament.

There is, however, no doubt that the Treasury have the power to alter the conditions under which the Mint receive gold bullion for coinage.

At present the Bank of England are, in fact, the only importers of gold into the Mint, although there is neither law nor regulation imposing such a restriction on the privileges of the public.

The reason is, no doubt, to be found in the fact that the delay which would take place in returning to the importer the value of his bullion might be greater than would be compensated for by the gain to him of 1½ *d.* per ounce standard, that is, by the difference between 3 *l.* 17 *s.* 9 *d.* per ounce standard, which the Bank of England is compelled by the Bank Act of 1844 to pay for all bullion brought to it, and 3 *l.* 17 *s.* 10½ *d.* per ounce standard, which is the rate at which the bullion would be returned in coin by the Mint.

The example of some important foreign Mints proves that, by proper management, there need be little or no delay in the return of coin to the importer of bullion.

In the United States coin is delivered in exchange for bullion as soon as the bullion can be melted and assayed (the coin being usually delivered on the third day), for which purpose a sufficient deposit of gold is retained by the Government in the Mint. In Russia the coin is delivered after two days' interval.

The impression also prevails, that the Mint limits the amount of bullion which it receives in one importation to a minimum of 10,000 *l.* in value, which appears indeed to have been the rule in former years, but no such condition is imposed by the existing Mint Regulations.*

We

* *Regulations for the Coinage of Gold Bullion at the Royal Mint.*

1. The Mint receives gold bullion for coinage on Tuesdays, Thursdays, and Saturdays, between 12 and 2 o'clock.
2. Any person intending to deliver gold for the Mint for coinage must give one week's notice of their intention, by letter addressed to the Master of the Mint.
3. Before delivery, the person delivering the bullion must make a written statement, in duplicate, on forms which will be supplied to him at the Mint, of the marks of each ingot, the report thereon of the assayer on whose assay he purchased it, and the name of that assayer.
4. At the time of delivery the ingots will be weighed through the Mint Office scale, and their weights entered in a column for the purpose, on each copy of the statement above-mentioned.
5. The two senior officers of the Mint Office present will then sign the certificate at the end of each copy of this statement, and give one copy to the importer or deliverer of the bullion, and retain the other for the use of the Master of the Mint.
6. On the assays of the Assayer of the Mint being completed, a statement thereof will be sent to the importer of the bullion, together with the standard value at which the Master of the Mint is willing to receive it; and if not objected to within three days, it will be considered not to be objected to, and the bullion will be passed into work on that valuation.
7. If by the assay reports it appear that any of the ingots are brittle, or that they contain iridium, or that, having been badly melted, they cannot be properly assayed and valued, or if the gold is found when put into work to be unfit for coinage from any cause, such ingots or partly worked gold will be returned to the importer; and if the standard value of the whole of the ingots be less than their gross weight, so that they cannot be brought to standard without the re-finage of a portion of them, the Master of the Mint will only receive and coin without charge so many of the ingots

We think it right to call attention to the necessity for revising these rules, which appear defective in several essential particulars.

It might seem that if the Mint were provided with a certain amount of capital, it could receive bullion for coinage on equal terms with the Bank, paying the Bank price of 3 *l.* 17 *s.* 9 *d.* an ounce, in standard gold coin (or in bank notes obtained at the Bank for coin), thereby securing the profit now made by the Bank of 1½ *d.* per ounce.

This profit would amount, on the average annual coinage of 5,000,000 *l.*, to more than 8,000 *l.* a-year.

It is to be observed also that the Bank make a profit on the trade practice of assaying, which amounts to about 1-16th per cent. of the whole value of the bullion (on 5,000,000 *l.*, a profit of 3,125 *l.*), and a profit on the trade practice of weighing, which amounts to an average of 12 *d.* on each ingot, or 333 *l.* on 5,000,000 *l.*

In reference to the above statements it should be explained that "Trade Assays" are quoted to 1-8th of a carat grain, and that the Bank, therefore, take as a profit the grains troy in excess of the 1-8th of a carat grain next below the actual decimal expression of fine gold in the ingot; also that the trade weight is only computed to 12 grains troy, and that the average gain therefore to the Bank, on the weighing of ingots purchased by it, amounts to six grains troy of fine gold on each ingot.

The profit to the Bank upon the assay and weight arises, it is to be observed, from the fact that the Mint returns the full amount of gold imported, calculated to a far minuter degree of accuracy than is observed by the Bank.

If the Mint were to forego these two sources of profit it might still offer to the importer terms more advantageous than those offered by the Bank, and would retain the profit of 8,000 *l.* a year now enjoyed by the Bank.

It would be necessary, however, that strict rules should be laid down for the reception of bullion which would prevent large importers from monopolising the labour of the Mint, and which should also provide for a graduated scale of delay in proportion to the amount imported. That this could be arranged is shown by the fact that the Mint could, if called upon to do so, coin 1,000,000 *l.* within a week, while in the case of small importations it would have no difficulty in paying the amount of coin in full, so soon as the assays had been completed, that is, in two or three days.

An arrangement in some results similar to that suggested above was made in March 1829, under the mastership of Mr. Herries, when the sum of 150,000 *l.* in silver bullion, the property of the Government, was sold to the Bank for gold coin, and applied to the formation of a "fund of gold coined monies" at the Mint "to facilitate the importation of gold for coinage by private individuals."

This arrangement under which, it must be remarked, three-fourths of the value of the bullion imported was returned immediately to the importer at the Mint rate of 3 *l.* 17 *s.* 10½ *d.*, and the remainder, as soon as the assays were completed, fell through, probably for the want of sufficient restrictions in the case of large importers (such as those suggested above), Mr. Rothschild having apparently, to a great extent, monopolised the labours of the Mint, and the importers of small amounts having been deterred from bringing in their bullion for coinage. The account was closed on the 30th April 1831, and the fund repaid to the Exchequer.

But it may be questioned whether the Mint could be placed in a position to compete with the Bank as purchasers of bullion.

The Bank is obliged by the Act of 1844 to purchase all bullion brought to it at

delivered as will, when combined and melted together, produce standard gold without any process for refining.

8. If the Assayer of the Mint assign a lower value to any ingot than that assigned by the importer's assayer, and the importer object to the report of the Mint Assayer, the metal shall be assayed by any two of the non-resident Assayers of the Mint to whom the Master of the Mint shall choose to refer it, whose decision shall be final; and a receipt for the standard value of the bullion delivered shall then be given to the importer.

9. On the completion of the coin, notice will be sent to the importer, and a time fixed for its delivery to him, when the same weight in gold coin as the standard weight at which the ingots were received will be delivered to him, without any charge whatever.

Royal Mint, April 1857.

at the rate of 3 *l.* 17 *s.* 9 *d.* per ounce standard; but it has also the right to issue notes against all bullion so received, and this it is in the habit of doing, to almost the full value of the bullion, at the same moment as the bullion is brought in, leaving only a small balance payable when the weight and fineness of the ingots have been accurately tested. To enable the Mint to offer equal advantages to the importer a very large capital would be required; and to this objection must be added the danger which the Mint would incur (and which is no disadvantage to the Bank) of being inundated with importations of bullion, or being left without materials for coinage, according to the state of exchanges.

Again, the constitution of the Mint as a purchaser of bullion would entail upon it the task of regulating the gold coinage, a duty now performed with ease and certainty by the Bank, which is guided in its operations by the amount of coined gold in its possession, but one not to be discharged with equal facility by the Mint, which would have no such guide to its discretion in coining or retaining uncoined the bullion brought to it.

It would appear, however, that whereas the Bank incurs absolutely no expense in converting its ingots into specie, it cannot be considered to have any equitable claim to the difference of 1½ *d.* per ounce between the price at which it purchases bullion, and that at which it receives coin from the Mint; and that the Government, who incur all expenses of coinage, might with justice require from the Bank the cession of that difference, amounting, as before stated, on the average coinage of 5,000,000 *l.* to 8,000 *l.* a year.

The difference in question, indeed, may fairly be considered a Mint-charge, to which the Bank have no claim.

In the event of the Government determining to impose a charge on the manufacture of the gold coin, it will be necessary to consider what that charge should be. The amount must be regulated by a consideration of the charges at present levied by the Bank. In addition to the 1½ *d.* an ounce, amounting, as stated above, to 8,000 *l.* a-year on the average coinage of 5,000,000 *l.*, the Bank, as already shown, makes a profit of about 3,500 *l.* a-year by the trade practice of weighing and assaying. These charges represent a total profit of 11,500 *l.* a-year, equal to a fraction less than ¼ per cent. A charge of ¼ per cent. imposed by the Mint, and thus almost exactly corresponding with that levied at the Bank, would produce 12,500 *l.* a-year, and would cover the cost of the gold coinage, which is calculated to constitute one-half of the total expenses of the Mint.

No such arrangement, however, could be made except by Act of Parliament, the Coinage Act (18 Charles 2, c. 5, passed in 1666, and made perpetual by the Act 9 Geo. 3, c. 25) containing a provision to the effect that no charge shall be made at the Royal Mint for coinage, assaying, &c. It is curious to observe that, nevertheless, up to the year 1851, the Bank were called upon to pay a fee of 2 *s.* per ingot to the assayer, and of 3 *d.* per ingot to the bullion porter, of the Mint, on all gold brought in for coinage. These charges amounted to about ½ *d.* per ounce, or about 780 *l.* on a coinage of 5,000,000 *l.*

Whether or not the Mint were authorised to become purchasers of bullion, it would seem advisable that the present system of assaying should be revised.

At present all ingots when first imported for coinage are assayed by the resident assayer, who is an officer of the Mint; but pieces cut from all bars when alloyed and melted in readiness for coinage, and coins selected from all coined work, are sent out of the Mint to be assayed by two of the outdoor assayers, eminent chemists who receive a fee for each assay. This system, which is stated to have originated in an error, and which would seem unnecessarily cumbrous, could be obviated by the appointment of one other assayer with an office in the Mint, separate and distinct from that of the present resident assayer, and having a distinctive title, who could discharge the duties now performed by the outdoor assayers with greater dispatch and at a large saving of expense to the public.

Reference could still be made to the outdoor assayers in cases where the decision of the ordinary assayers might be called in question.

A consideration of the principles of Mint management would not, under present circumstances especially, be complete without an inquiry whether it is advantageous to carry on the actual operations of melting and coining by means of Government officers and workmen, or through a contractor under Government superintendence.

The contract system prevails in the Mints of France, Belgium, Italy (where the Bank of Italy are the contractors), and Holland.

In the United States, in Russia, Prussia, Denmark, Spain, Switzerland, and some other countries, the coinage is performed by the State, as in England.

It may be observed that the experience of the Government Mints of London, Philadelphia, and St. Petersburg, proves that the best manufactured coins are those which proceed from Government workshops.

In England the system of Government work has been in action since 1851; the Mint possesses, therefore, an experienced body of officers and mechanics, and it is admitted that English coins bear a favourable comparison, both as regards fineness and workmanship, with those of other countries. This superiority may be in a great measure attributed, not to the fact that the machinery of the Mint is in a high state of perfection—many of the appliances for coining being susceptible of great improvement—but rather to the fact that under a system of Government management, no bad work is allowed to pass out of the workmen's hands. The salutary regulation which prohibits payment for rejected work gives the workmen an obvious interest in endeavouring to attain perfection in the different processes, and the officers directing the melting and coining operations of the Mint have no interest, as would be the case where the work was performed by contract, in sending forward to the office of control either defective bars or coins which are imperfect in weight or workmanship.

It may be mentioned that the legal remedy of weight for gold coin is $\cdot 25$ of a grain, but that, although by far the larger portion of the recent coinage of 8,000,000 *l.* was coined at the low working remedy of $\cdot 17$ of a grain, and all gold coin passes through the delicate automaton weighing-machines, yet the average of rejected work in the whole coinage only amounted to $15\frac{1}{2}$ per cent.

It is believed that the English Mint will also bear comparison with contract Mints, as far as such a comparison can be instituted, in regard to the question of cost; and, with judicious management, further reductions of establishment and expenditure could no doubt be effected. It has been shown above that the bronze coinage is carried on at the Mint at a rate far less costly than that at which it was performed by the contractors in 1861; and there is little reason to suppose that, in the case of gold and silver, a different result would be obtained.

It should be remarked that a system of contract necessitates constant superintendence by Government officers of many of the operations of coinage. It has never been the practice, for instance, either in the English or in Foreign Mints, for obvious reasons, to place the dies or coining presses in the sole custody of the contractor; and the employment of Government officers to superintend the operations of the contractor entails almost as much expense as if those officers conducted the operations themselves. Thus, while the total expenses of the English Mint do not exceed 25,000 *l.* a-year, those of the French Mint amount to 11,000 *l.* a-year, exclusive of the payments made to the contractors, who receive the "frais de fabrication" or Mint-charge levied upon every kilogramme of gold and silver brought in for coinage.

A mintage of $\frac{1}{4}$ per cent. on the coinage of gold would consequently, as above shown, reduce the average cost of the English Mint to nearly the same amount as that of the French Mint.

There seems, therefore, no reason to believe that the system of coining by contract offers any substantial advantage on the ground of economy over that of direct Government management.

That a system of Government manufacture produces the best and most accurate coins is proved by experience, but there is another advantage of that system which is of considerable importance. It conducts the coinage as a matter of national importance without other concern or motive than to attain the greatest accuracy and perfection combined with economy. Under the contract system, however, opportunities are afforded to the contractor of dealing with the coinage in a peculiar way for commercial purposes and for his individual profit. No system of Government control or inspection can altogether prevent these operations, which have been practised on an extensive scale in certain foreign Mints, but which are neither for the advantage of the public nor consistent with the reputation of the establishment responsible for the manufacture of the national coinage.

It was recommended by the Royal Mint Commission of 1848 "that the document called 'the Master's Indenture,' hitherto serving as the chief authoritative regulation

regulation for the government of the Mint, should be replaced by a more precise and systematic code of regulations sanctioned by the Lords Commissioners of your Majesty's Treasury, under the authority of an Act of the Legislature."

It would be desirable to carry this recommendation more completely into effect. By an Order in Council of 7th March 1851, the administration of the Mint and the regulation of the coinage (subject to the provisions of the statutes for the time being in force concerning the coin of the realm) were made subject to the control of the Treasury. By this Order in Council, therefore, the old system of Mint Indentures is superseded. No power, however, at the present time exists to improve the administration of the coinage in the important particular of the remedy or allowance permitted to the Master of the Mint. The present remedy, both in respect of fineness and of weight (as has been mentioned before), is known to be for working purposes unnecessarily large, and has led to great inconvenience by the inducement it affords for melting down the heavier pieces. The Act of 1816, however, provides that the remedy shall be that which was prescribed in the Indenture of the Master of the Mint in force at that time.

Notwithstanding, therefore, the improvements that have taken place since then in the art of coining, enabling the pieces to be struck with far greater accuracy than formerly, the large and now unnecessary remedy for more than two per mille is still permitted. It is true that the Treasury can issue directions to the Master of the Mint to coin as closely to the standard as possible; but in a matter so essential to the perfection and prestige of the gold coinage, it would appear desirable that the legal remedy should be sensibly reduced. There is another reason why such a course appears desirable, namely, to afford more general information as to the obligations of the Government in respect to the coinage, as to which much ignorance exists; and it may be a question whether the entire constitution of the Mint and the regulations affecting the coinage at present contained in Acts of Parliament, Indentures, Orders in Council, and Treasury regulations may not be conveniently embodied in a single and comprehensive Act of Parliament.

The question of the Mint buildings requires attention. The present accommodation is unnecessarily extensive, implying a corresponding excess of expenditure for their maintenance, and the site, although valuable, is not convenient for the purpose for which it is employed. There is reason to believe that the work could be equally well, if not better, performed in a much smaller building, and undoubtedly with a considerable saving of expense; and in the event of the withdrawal of the Admiralty branch from Somerset House, we are advised that the whole of the Mint Department could be commodiously established in the portion of the building thus vacated, with a sufficient margin of accommodation to allow for a considerable increase in the staff, or for any expansion of the operations of the Mint. The situation, half-way between the West End Public Offices and the City, would contrast favourably with that which the Mint at present occupies on Tower Hill.

(signed) C. W. Fremantle.
C. Rivers Wilson.

6 November 1869.

SUPPLEMENTARY MEMORANDUM on the Changes and Reductions proposed
in the Establishment of the MINT.

THE late Master of the Mint had intended, in compliance with the directions of the Treasury, that he should consider the propriety of reducing the number of senior clerks in the Mint Office, to recommend the abolition of the appointment of registrar and accountant, and that the Master's clerk, as was the case up to the year 1851, should be charged with the duties now performed by the registrar. We recommend that this arrangement should now be carried into effect, and that the Master's clerk should for the future receive an allowance of 100 *l.*, instead of 50 *l.* a year, which he at present receives, in addition to his salary as junior clerk. It would, probably, not be requisite to make any fresh appointment in the registrar's room, but it might be found necessary to employ a writer, at the usual remuneration of 85 *l.* a year. The saving thus effected would be 350 *l.* a year.

In the Operative Departments, of which the chief officers are now a superintendent of the Coining and Die Department, and a senior clerk and melter, we recommend that the latter office should be abolished, and that a superintendent should be appointed, who should have control over the Coining, Melting, and Die Departments. This arrangement would effect a saving of 500 *l.* a year; but it would be necessary to appoint a writer to assist in the business of the Department.

A Table is annexed, showing the present establishment of the Mint Office and Operative Departments, and that proposed according to the above arrangement:—

| PRESENT ESTABLISHMENT. | | PROPOSED ESTABLISHMENT. | |
|--------------------------------------------------------|----------|---------------------------------------------------------|----------|
| | £. | | £. |
| 1 Master of the Mint - - - | 1,500 | 1 Master of the Mint - - - | 1,500 |
| 1 Deputy Master and Controller - | 800 | 1 Deputy Master and Controller - | 800 |
| Mint Office: | | | |
| 1 Senior Clerk - - - - | 400 | Mint Office: | |
| 1 Ditto - - - - | 260 | 1 Senior Clerk - - - - | 400 |
| 1 Registrar and Accountant - | 400 | 1 Ditto - - - - | 260 |
| 1 Master's Clerk (Junior) with 50 <i>l.</i> allowance. | 300 | 1 Master's Clerk (Junior) with 100 <i>l.</i> allowance. | 350 |
| 1 Extra Clerk - - - - | 180 | 1 Extra Clerk - - - - | 180 |
| 1 Writer - - - - | 85 | 1 Writer - - - - | 85 |
| Coining and Die Department: | | | |
| 1 Superintendent (400 <i>l.</i> to 600 <i>l.</i>) - | 400 | Operative Department: | |
| 1 Junior Clerk - - - - | 180 | 1 Superintendent (400 <i>l.</i> to 600 <i>l.</i>) - | 400 |
| Melting Department: | | | |
| 1 Senior Clerk and Melter - - | 500 | 1 Junior Clerk (Melting) - - | 250 |
| 1 Junior Clerk - - - - | 250 | 1 Junior Clerk (Coining) - - | 130 |
| Assay Department: | | | |
| 1 Resident Assayer - - - - | 500 | 1 Writer - - - - | 85 |
| 1 Junior Clerk - - - - | 250 | Assay Department: | |
| 14 | £. 5,955 | 1 Resident Assayer - - - - | 500 |
| | | 1 Junior Assayer - - - - | 250 |
| | | 13 | £. 5,190 |

£.

5,955

5,190

Proposed immediate Saving on Officers' Salaries - - 765

The above arrangement is recommended on the assumption that both the appointment of Master of the Mint and that of Deputy Master and Comptroller will be maintained upon their present footing, namely, the Mastership with a salary of 1,500 *l.* a-year, and the Deputy Mastership with a salary of 800 *l.* to 1,000 *l.*; but we cannot avoid recording our opinion that, provided the Master of the Mint is an Officer who, apart from other special qualifications, possesses habits

habits of business enabling him to deal promptly and practically with the numerous details which daily come under his consideration as the Head of a Government Department, the appointment of Deputy Master and Comptroller could undoubtedly be dispensed with. The immediate additional saving on such an arrangement would be 800 *l.* a year.

If the Deputy Mastership were abolished it would only be necessary to provide for the performance of routine duties during the absence of the Master by appointing one of the Senior Clerks to be Chief Clerk, with an increase of salary.

The present system of payment to the workmen employed in the Coining Department appears to require revision. At present the workmen in the different rooms are paid various scales, amounting to about 2*s.* 8*d.* per 1,000 good pieces, and when the Mint is not at work they receive a small payment varying from 6*s.* to 10*s.* a week in the case of the men, and fixed at 3*s.* a week in the case of the boys, under the name of "subsistence money." This payment is also continued to the men, but not to the boys, while the Mint is in operation. During the last three years the payments made to the men and boys have averaged 3,290 *l.* a year, and the Department has been unemployed during an average period in each year of only three weeks.

The objections to this system are obvious. When the Department is in full work the men receive an average of 2*l.* 15*s.*, and the boys an average of 1*l.* 16*s.*, in the first class, and 18*s.* in the second class per week, and during the remainder of the year they receive allowances insufficient to maintain them or to prevent their forming other engagements. The result is on the one hand, that the more improvident among them contract liabilities, and return to work in debt, and on the other hand, the more skilful workmen are induced to accept employment elsewhere, and the Mint loses their services. So strongly, indeed, are these objections felt, that, during a cessation of work in 1867, the Treasury, on the recommendation of the Master of the Mint, granted to each workman an allowance of 24*s.* a week, and to each boy 12*s.* a week. The knowledge also that the workmen, if thrown out of employment, will be placed on insufficient allowances, is calculated to induce the officers to allow the coining operations to be extended over an unnecessarily protracted period, and the work is in consequence less expeditiously performed.

We propose that for the future all piece-work in gold and silver coining shall be paid for at the reduced rate of 1*s.* 9*d.* per 1,000 good pieces, and all bronze coining at the rate of 2*l.* 10*s.* per ton for pence, 3*l.* 10*s.* per ton for half-pence, and 7*l.* per ton for farthings.

In addition to their wages for piece-work, we propose that the men should be entitled to a uniform payment of 1*l.*, and the boys to a payment of 10*s.*, and after three years' service, to 15*s.* per week. The only exception to these arrangements would be the payments made to certain overmen, which would be in one case 1*l.* 10*s.*, and in five other cases 1*l.* 5*s.* per week. These payments would continue to be made when the Mint is at work as well as when it is unemployed, and to the boys as well as to the men. All the men and boys would thus receive sufficient weekly wages to maintain them, both during a cessation of work and while the Mint is in full operation.

By this arrangement an average saving of 100 *l.* a year only will be effected, but the incidental disadvantages above alluded to will be obviated, and it is to be observed that the saving in each year will increase in proportion to the amount of work performed.

A similar change will be necessary in the payment of the workmen in the Melting House, but only six persons are employed in that Department.

It has been stated in our Memorandum on the Mint, that the present system of assaying is capable of improvement.

At present, all bars ready for coining, and all gold and silver coins, are assayed by two of the non-resident Assayers of the Mint, who receive a fee on each assay. This fee was originally 2*s.* 6*d.*; but in 1868, on the recommendation of the late

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Master of the Mint, it was increased to 4s. 6d. for the first 2,000 assays in each year; and, calculated on this scale, the average amount of remuneration received by the Assayers is 1,278 l. a year. We propose that the employment of non-Resident Assayers should be abandoned, and that, instead, a second Resident Assayer should be appointed, with a salary of 400 l. to 500 l. a year, and that he should be assisted by a junior clerk at the usual salary of 100 l., rising to 250 l. a year, and an attendant at 70 l. a year. In the event of a vacancy in the existing office of Resident Assayer, his successor should be appointed at the same salary of 400 l. to 500 l. a year, so that the two appointments may be on a footing of equality. An immediate expenditure of 570 l. a year would be incurred by this arrangement, and a saving of 700 l. a year would be effected. From this saving must be deducted the expense of restoring the second assay office, which already exists in the Mint, and the annual cost of the fuel and implements which would be required, but these would be inconsiderable.

Some change also appears desirable in the arrangements for watching the Mint premises. At present a police serjeant and six constables are employed on this duty at a cost of 600 l. a year to the department, and besides the police, five sentries are on duty at night, and three during the day, in the "military way," which surrounds the buildings. It would seem desirable to substitute for the police, one gate porter, who would be on duty during the day, and two night watchmen, one of whom might act as night porter, and the other as watchman, to patrol the premises, "tell-tale" dials being, as at present, affixed to various parts of the buildings. The wages of the porter and watchmen would amount to about 230 l. a year, and a saving would, therefore, be effected of 370 l. a year.

In conformity with the recommendations of the late Master of the Mint, in March and May 1869, the salary of the Superintendent of the Coining and Die Department has been reduced by 100 l. a year, and a senior clerkship, three temporary clerkships, and two artificers' situations have already been abolished, showing a saving of 1,120 l. a year. The Treasury have also decided to abolish a junior clerkship in the Mint office, vacant by superannuation, and to substitute a writership for it. The saving, therefore, already effected, amounts to 1,335 l. a year.

Should the above recommendations be adopted, the following reductions of expenditure will have been effected since the beginning of the current year:—

| | | | |
|--------------------------------------|-------|----|-------|
| In officers' and mechanics' salaries | - - - | £. | 2,100 |
| In workmen's wages | - - - | - | 100 |
| In the Assay Department | - - - | - | 700 |
| In expenses of watching | - - - | - | 370 |
| | | £. | 3,270 |

Or, if the Deputy Mastership were abolished, 4,070 l.

It should be observed that in our former Memorandum we have assumed that the total future expenses of the Mint will amount to 25,000 l. a year. The expenses for the financial year 1869-70 (exclusive of 15,000 l. for loss on the re-coining of worn silver, which does not at present enter into consideration), were estimated at 30,550 l.

Several items of expenditure, however, which formed part of that estimate, will not appear in the Estimates for 1870-71. They are as follows:—That part of the vote which for the current year provided an unusually large amount for fees to the non-resident assayers, in expectation of an exceptionally large coinage; a large proportion of the item for the renewal and repairs of machinery, which it will be unnecessary to provide for, pending the decision of the question of the removal of the Mint from its present site, and the item for loss on coinage of bronze, the necessity for which has ceased to exist. These reductions will amount to nearly 3,000 l., and with the savings on salaries already effected, will reduce the next Estimates to about 26,500 l. Should the reductions now proposed be carried into effect, this sum would be further reduced to about 24,500 l.

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One other point remains to be noticed, namely, that there would appear to be no reason why the Mint should, as has hitherto been the case, refuse to undertake the execution of coinages for foreign Governments. Many contracts for foreign coinages have of late years been executed at Birmingham, with large profits to the contractor, and it is obvious that the Mint, with the appliances at its command, and the risk to which it may at any time be exposed of being left unemployed, could with advantage undertake such contracts.

Coinages for foreign governments are undertaken by some of the Mints in other countries. A coinage for Roumania and another for Egypt have recently been struck at the Paris Mint.

We would recommend that, for the future, should any offer be made to the Mint to undertake a coinage for a foreign government, the Master of the Mint should report the circumstances to the Treasury, and should be empowered to make the necessary arrangements for executing the work.

(signed) C. W. Fremantle.
C. Rivers Wilson.

17 November 1869.

REPORTS ON THE MINT
The following report is in accordance with the resolution of the House of Representatives, passed on the 11th of February, 1870, and is the result of the investigation conducted by the committee on the Mint, during the session of 1870.

17 November 1899

C. H. Stansfeld,
C. H. Stansfeld,

M I N T.

REPORTS ON THE MINT.

(Mr. Stansfeld.)

Ordered, by The House of Commons, to be Printed,
11 February 1870.

Under 2 oz

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