



HISTORY

Fact Sheet 1

The History of COINS in Australia

TIMELINE

Pre 1770

The First Australians did not use money as we know it. They used a barter system and traded things all over the continent from one end to the other. Some popular trading items were special stones for making tools, coloured stones called ochres used for painting, and pearl shells from the far north of Australia.

1778

The British sent the First Fleet to Australia to set up a penal colony. They didn't send much money with them because the convicts were not paid and the soldiers were supplied with goods from the Government Store. Besides, there were no shops!

Most of the first coins used in Australia came from the pockets of the officers, sailors and convicts of the early fleets. These were English sovereigns, shillings and pence, Spanish dollars, Indian rupees and Dutch guilders as well as other coins from all over the world. Almost any gold, silver or copper coin was acceptable.

1800

The need for a system of money grew with the population as there were not enough coins to go around. The colonists couldn't bring in coins from Britain because there was a shortage of coins there too. Using coins from all over the world was very confusing because no one knew exactly what each coin was worth.

Governor King tried to solve the problem by making a proclamation in which he fixed the price of all of the different coins so that everyone would know what they were worth. These became known as the "Proclamation Coins". This set the value but did not solve the problem of providing enough coins, particularly since trading ships took the precious coins out of the colony in exchange for their cargo.

1813

The British Government sent 40 000 Spanish dollars to the colony. Governor Macquarie asked a convict named William Hershell (who had been convicted of forgery!) to punch a round piece out of each of the



Spanish dollars. This almost doubled the number of coins – producing 39 910 doughnut shaped pieces and the same number of solid pieces from the centre (these were called "dumps"). All the coins were stamped with the words "New South Wales" and made Governor Macquarie a large profit.

Because of its strange shape, the Colonial dollar became known as the "holey dollar". Holey dollars and dumps were used in NSW until 1829 and in Tasmania until 1849. Today there are only around 300 holey dollars and around 1000 dumps still in existence.

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1825

The English Parliament passed the “Sterling Silver Money Act” which officially made British coins the only recognised form of currency in Australia and the Spanish dollar soon fell into disuse. Silver coins were shipped to Australia from the British Royal Mint.

1849

The first gold discovered in Australia was found in Victoria in January 1849 and by 1851 the life of the Colony had been disrupted as a gold rush developed. Within a few years there was pressure to convert this gold into coins or tokens.

1852

Australia’s first gold coinage was simply strips of stamped gold which came to be known as the “Adelaide ingots”. Citizens got these pieces of stamped gold instead of banknotes. Each of these ingots was unique and individually stamped to indicate its weight and purity.

1855

A branch of the British Royal Mint was opened in Sydney. A Melbourne branch followed in 1872 and a Perth branch opened in 1899.

1910

In 1909, eight years after Federation, the Federal Parliament passed a bill allowing for Australia’s own coins and in 1910 the first distinctive Commonwealth coins were issued. The coins were based on the British sterling system of pounds, shillings and pence.

1963

The government announced it was planning to convert to a decimal currency system. Six leading artists were commissioned to submit designs for the new coins. The competition rules included that the design must be an Australian theme. Stuart Devlin was the artist selected and he was given six months to complete his work.

1965

The Royal Australian Mint opened in Canberra. Australia now had its own mint which began producing decimal coins.

1966

On 14 February 1966 decimal currency was introduced with 1c, 2c, 5c, 10c, 20c, and 50c coins which were all round in shape.

1969

The round 50c coin is replaced by a 12-sided 50c coin.

1984

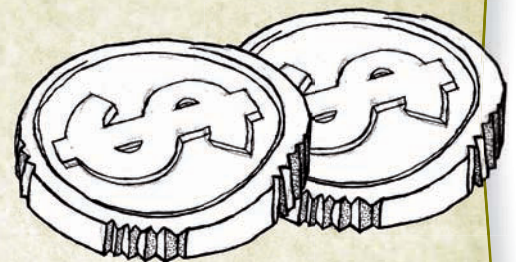
\$1 coin is introduced.

1988

\$2 coin is introduced.

1990

1c and 2c coins were taken out of circulation.



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