



North York Coin Club

Founded 1960

MONTHLY MEETINGS 4TH Tuesday 7:30 P.M. AT
Edithvale Community Centre, 131 Finch Ave. W., North York M2N 2H8

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Member :

Ontario Numismatic Association
Royal Canadian Numismatic Association

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1st Vice PresidentLen Kuenzig
2nd Vice PresidentDavid Quinlan
SecretaryHenry Nienhuis
TreasurerBen Boelens
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THE BULLETIN FOR APRIL 2012

WHAT'S IN YOUR POCKET?

The title of this article kicks off an issue that has some stories about the money in your pocket. It is confirmed that 2012 marks the end for the cent, new \$1 and \$2 coins, long-promised in government announcements, have finally hit the street, we spend some time with a European traveller to consider some Roman history and the buying-power of your money, but first, this . . .

Royal Canadian Mint Launches Mintchip™ Developer Challenge

On April 4, the Royal Canadian Mint announced that it has launched a program for developers from across North America to test and challenge a digital currency technology and to determine its applicability to the current marketplace. The MintChip™ Developer Challenge, which will accept submissions from April 4 until August 1, is part of the Mint's ongoing research and development efforts.

"The Royal Canadian Mint has been a trusted and respected custodian of Canadian currency for more than 100 years," said Ian E. Bennett, President and CEO of the Mint. "As part of its research and development efforts, the Mint has developed MintChip™, which could be characterized as an evolution of physical money, with the added benefits of being electronic."

MintChip™ uses innovative technology, for which the Mint has prototypes and five patents pending. It uses a secure chip to hold electronic value and a secure protocol to transfer electronic value from one chip to another.

The MintChip™ Developer Challenge will be conducted by ChallengePost and is open to North American software developers who are invited to create innovative mobile payment applications using the MintChip™ technology. The Challenge will test the robustness and applicability of the technology with industry experts and help to guide its further development and testing by the marketplace.

An eminent panel of judges will select winners in three categories—Best Person-to-Person app, Best Business-to-Consumer app and Best Micropayment app—, while members of the public will vote for the Popular Choice Award. All of the winners will be announced in the fall of 2012. Full details of the Developer Challenge are available at www.mintchipchallenge.com.



The Toronto Star introduced the MintChip story with the line "The RCM wants to get rid of pocket change—and it's enlisting hacker-types for help."

Still in the research and development phase, MintChip will ultimately let people pay each other directly using smartphones, USB sticks, computers, tablets and clouds. The digital currency will be anonymous and good for small transactions—just like cash, the Mint says. The Mint is holding a contest for software developers to create applications using the MintChip. The old-fashioned prize? Solid gold wafers and coins worth about \$50,000.

NEXT MEETING TUESDAY, APRIL 24

We start gathering in the Gibson Room, second floor at the Edithvale Community Centre, at 7:00 p.m. with meeting start scheduled for 7:30 p.m.

This will be our Ontario Numismatic Association convention report meeting. There were a few North York members present at the convention, including Norm Belsten, Russ Brown, Roger Fox, Terry O'Brien, Henry Nienhuis and Paul Petch. Terry, with assistance from Henry, volunteered to provide a report, so there will be many opportunities for lots of news!

We appreciate all donations to our supply of draw prize material. Please remember to bring your auction lots if you would like an auction at this meeting.

It's such an unusual move from the crown corporation, which has been in the coin-making business for more than 100 years, that *Hacker News* questioned whether it was an "elaborate hoax." It's not, the Mint's chief financial officer Marc Brûlé said Tuesday.

MintChip, a secure microchip, will be able to do this by letting people transfer small amounts of money (for an iTunes song or a newspaper) with no personal information attached to it, he said.

It's still too early for specifics such as how the Mint will make a profit from this, how it will prevent hackers from stealing cash, whether the money is anyway traceable or who exactly will load a chip with money, but Brûlé said the response to the contest has been tremendous. Developers may have been sceptical about MintChip, but the 500 contest spots were filled in just four days.

MEETING NEWS OF THE MARCH 2012 MEETING

The 575th meeting of the North York Coin Club was held on Tuesday, March 27th, 2012 in the 2nd floor Gibson room at the Edithvale Community Centre, 131 Finch Ave. West. The meeting was hammered to order promptly at 7:30 p.m. with our President, Bill O'Brien, in the chair, 26 members in attendance.

Our on-time attendance draw was the first order of business. Member Jayden Chan was not at hand to receive the prize of \$2.00 when his name was drawn. The total will increment to \$4.00 for the April meeting.

As the customary next order of business Bill O'Brien asked the members present if they had noticed any errors or omissions in the minutes of our February meeting as published in the March newsletter. It was brought to the secretary's attention that he had neglected to mention in the minutes the thoughtful donation by Lucille Colson. Member Phillip Simms made a motion to accept the minutes, so revised, which was seconded by member Norman G. Gordon. Motion carried.

Our treasurer, Ben Boelens, was then asked to report on the club's current financial balance.

Paul Petch was asked to report on the status of the joint NYCC/MECSCC Hobby show. He reported that all dealer tables were now sold out and that he had received interest from dealers outside our clubs' through information placed in the Events column of the Canadian Coin News and the Canadian Stamp News magazines. Paul then mentioned that the success of the show would be dependent on the advertising that is placed locally and the club volunteers that help on the day of the show. We would like a number of club members to help for a few hours during the day so that their efforts can be coordinated and lessen the risk that one or two members will be placed in the position of having to face an onerous, full day effort. Member Andrew Silver put his name forward as a volunteer to help out. We would like to finalize the list of volunteers at our next meeting.

While he had the floor Paul, changing his hat to that of president of the O.N.A., invited members present to attend the upcoming O.N.A. convention—April 13–15 in

Kitchener. He mentioned that although registration kits were selling out quickly they were still available for the event. Paul reminded everyone that this was a special event in the Association's history being its 50th anniversary convention. He revealed that Bret Evans will be the M.C. of the Saturday night banquet and that the special guest speaker will be Terry Boyle, author and broadcaster, who has written many books on the ghost stories from throughout Ontario. In closing, he also reminded everyone that the draw this year is for the 2012 Gold Maple-leaf bullion coin (1 troy ounce of .9999 fine gold.)

Henry Nienhuis mentioned that the club will need a volunteer to act as delegate at the O.N.A. convention and looked for anyone who would be attending the convention, who might be willing to act as our delegate to put their name forward. After some discussion Terry O'Brien agreed to act a delegate with help from Henry on the events that she would not be able to cover. Bill then opened the floor to any member wishing to address the meeting.

Dick Dunn rose to talk about two British Postal Notes (money orders) that he had purchased directly from life-member James Charlton a number of years ago. These items are very scarce because they are normally redeemed and destroyed by the post office. Mr. Charlton had received the postal notes during his regular business activities at the Coin Exchange but they had expired before they could be cashed and Dick was lucky enough to be offered them.

Roger Fox asked for the floor to talk about an article he had read recently on the fiasco the US government was currently dealing with regarding the \$100.00 notes printed in 2009, as part of their new series, but as of yet remained undistributed by the Bureau of Engraving and Printing. Apparently the Federal Reserve had produced 1.4 billion dollars worth of these notes (a total volume of 250,000 cubic feet as calculated by Mark Argentino, an astute paper money collector) but had not issued them due to quality issues that were apparently found after the full printing. The sheets of banknote paper were apparently exposed to some adverse conditions prior to printing, which resulted in a substantial amount

creasing and crow's feet appearing when they were run through the printing press. Roger mentioned that the US really only had three options: to destroy and reprint the notes—at a cost of \$78–92 million, inspect every note and destroy only the error notes—at a significant manpower cost or to circulate what they have and live with the quality issues. Roger said he would keep us apprised of the decisions made towards a resolution, if any.

As a side discussion, members brought up the sorry state of the commemorative presidential dollar series that the US mint was producing over the last few years. The series has recently been cancelled due to lack of interest. Thousands of bags of these coins from the previous release are left in the vaults of the mint, un-issued. This is the result of the US citizen's unwillingness to accept circulation of the \$1.00 coin while they still produce the equivalent banknote.

With no further request from the floor Bill moved on to our feature speaker. Secretary Henry Nienhuis had agreed to speak on the subject of currency used in pre-confederation Canada. The talk was based on an article written by James Charlton as published in Coin World in January 1988 and supported with detailed series of power point slides assembled by Henry for the 2011 R.C.N.A. Education Symposium held at Windsor in July.

Bill thanked Henry for his informative treatment of the topic and at 9:00 pm, called for the refreshment break consisting of cookies, juice and coffee for the evening.

With the refreshment break ending at 9:15 p.m., the last portion of the meeting was devoted to lucky draws and auction. Lucky draw winners were- Vince Chiappino (2), Andrew Silver (2), Richard Duquette, Paul Petch, Roger Fox, Henry Nienhuis (2), David Quinlan, Terry O'Brien (2), Paul Johnson (2), Tony Hine and Franco Farronato. The club earned \$29.75 through the sale of the draw tickets! The lucky draws were intermixed throughout the evening's auction, called by David Quinlan our new official auctioneer, and volunteer runner Dick Dunn. Mark Argentino served as our auction manager and reported that receipts from the auction added \$12.25 to the club coffers.

Continued next page...

Wampum to Tokens,
(Beavers to Loons)

Based on Article by
James E. Charlton (1988)

Presented by Henry Nienhuis

Wampumpeag (1627-1670)

Used by early British colonists' trade with Indians



Wampumpeag is a Massachuset (a Wampanoag Tribe) word for "White String of Beads"

1815 Magdalen Islands 1d



Private currency issued by Sir Isaac Coffin (1-Penny), this would-be Feudal Baron had his grant revoked by British Government

Imitations of very popular issue
73 varieties identified by Courteau



Based on the popularity of Bank of Montreal issue, many imitations were later issued with Sou spelled correctly

1837 Banque du Peuple
- `Rebellion Token`



Small Star and Liberty Cap included in design by Bank official sympathising with the Patriots in Rebellion of Lower Canada

1838 Banque du Peuple



The token was revised the following year to remove the Star and Liberty Cap.

Province of Canada
First Coinage - 1858



The club executive would like to send out a special thank you to club members for supporting the club through the purchase of draw tickets and for draw prize donations. We would especially like to thank Russell Brown and Lucille Colson for their continued support of the club through donations this month. Keep up the good work and to the other members, please consider supporting your club through a donation of numismatic material, etc. (Please mention your donations to the club secretary so that your support can be recognized in the minutes and newsletter.)

There being no further business, the meeting adjourned at 9:55 p.m.

As a reminder, the next regular club meeting will be held in the Gibson Room, on the second floor, April 24th at the Edithvale Community Centre.

COMING EVENTS FOR SPRING & SUMMER 2012

APRIL 22, Chatham, Kent Coin Club Annual Spring Coin Show, Active Lifestyle Center 20 Merritt Ave N7M 6G9. Hours 10 a.m. to 4 p.m. *Free admission and parking, free token or foreign coin to every person entering the show complements of the Kent Coin Club, 25 dealer tables (coins and paper money), food available on site for purchase, hourly draws and a raffle, displays with prizes in 10 categories.* For more information contact Lou Wagenaer, 27 Peters St., Chatham, ON N7M 5B2, telephone 519-352-5477.

APRIL 28, Trenton, Northumberland /Quinte/Prince Edward County Coin Fair , Holiday Inn, (Trent Room - Lower Level) 99 Glen Miller Rd. Hours: Sat. 10:30 a.m. to 3:30 p.m. *Our 36th year in operation, buying and selling Canadian, U.S.A. and world-wide coins. Coin supplies also available, some at discounted prices.* For information contact Dave Jackson, telephone 613-966-2007, email dejackson8138@gmail.com.

APRIL 29, Brampton, Brampton Coin Show, Century Gardens Recreation Centre, 340 Vodden Rd. E. Hours: 9:30 a.m. to 4:30 p.m. Admission \$3, under 14 free. *Buy, sell, trade and appraise at more than 40 tables of dealers, featuring coins, medals, tokens, paper money, trade dollars, militaria. Children's table. Free parking. Funds raised for children's charities.* Sponsor/Affiliate: B&W Coins & Tokens and the Brampton Rotary Club. For more information, contact B&W Coins & Tokens, Willard Burton telephone 905-450-2870, email b_and_w@sympatico.ca.

MAY 5, Peterborough, Peterborough Coin Club - annual show, main foyer, Portage Place Mall, 1154 Chemong Rd. Open to public 9 a.m. to 4 p.m. *Free admission, various dealers buying and selling coins, tokens, paper money, old cheques, bank postcards and other associated numismatic items.* For more information contact Don Hurl, telephone 705-652-0072, email donhurl@yahoo.ca.

MAY 6, Windsor, Windsor Coin Club Annual Spring Show, Caboto Club, 2175 Parent Ave. Show hours are 10 a.m. to 4 p.m. *Plenty of free parking. Admission is \$1. Children under 16 are free when accompanied by an adult. For further information contact M. Clarke at 519-735-0727.* For more information email: mclarke@wincom.net telephone: 519-735-0727. Website: <http://windsorcoinclub.com>.

MAY 12, Toronto, Edithvale Hobby Show, Banquet Room, Edithvale Community Centre, 131 Finch Avenue West. Hours: 9 a.m. to 4 p.m., free admission, all sorts of collectibles and featuring coins, paper money, stamps, etc. Sponsor/Affiliate: North York Coin Club & Mississauga-Etobicoke Coin, Stamp & Collectibles Club. For more information, contact Paul Petch, telephone 416-303-4417, e-mail p.petch@rogers.com. Website: <http://northyorkcoinclub.com>

JUNE 1 - JUNE 2, Toronto, Toronto Coin Expo, The Bram & Bluma Appel Salon located at the Toronto Reference Library, 2nd Floor, 789 Yonge St. Canada's premium coin, bank note and collectable show. More than 30 dealers in attendance. Partnering with numismatic auction house Geoffrey Bell Auctions. Auction May 31-June 1. Show dates Fri., 10 a.m. to 5 p.m.; Sat., 9 a.m. to 5 p.m. For more information contact Jared Stapleton, email torontocoinexpo@gmail.ca, telephone 647-403-7334. Website: <http://www.torontocoinexpo.ca>.

JUNE 10, Brantford, 51st Annual Coin Show, Woodman Community Centre, 491 Grey St. Hours: 9 a.m. to 4 p.m. *Free admission and parking, 38 dealers at 63 tables, featuring Canadian coins, paper money, tokens, trade dollars, and CTC coupons.* For more information, contact Ed Anstett, telephone 519-759-3688, email edanstett@rogers.com, or the Brantford Numismatic Society, c/o P.O. Box 28071, North Park Plaza, Brantford, ON, N3R 2S2.

JUNE 23-24, Toronto, Torex - Canada's National Coin Show, Hilton Toronto Airport Hotel, 5875 Airport Rd. Hours: Sat. 10 a.m. to 5 p.m., Sun. 10 a.m. to 3 p.m. Admission \$6. Under 16 free! *Official Auctioneer: Moore Numismatic Auctions, Charles Moore. The Hilton Toronto Airport hotel is located directly across from Toronto's Pearson International Airport.* For more information please call 416-705-5348. Website: <http://www.torex.net>.

JULY 18 - 22, Calgary, The Royal Canadian Numismatic Association Convention, The Calgary Westin Hotel, 320 4th Ave. SW, Telephone: 1-800-937-8461. Hours: Thurs. educational symposium and set-up. Fri. 10 a.m. to 6 p.m., Sat. 10 a.m. to 5 p.m. and Sun 10 a.m. to 4 p.m. Admission \$5, juniors free, includes pass for re-entry on Sunday. *Dealers from across North America and displays. Lots of youth activities to enjoy. Official auctioneer: The Canadian Numismatic Company.* For more information, contact James A. Williston Convention and Bourse Chairman, telephone 403-461-2663, email jawilliston@shaw.ca. Website: <http://www.rcna.ca>.

AUG. 12, Paris, SWON, 139 Silver St. at the convention centre Paris Fairgrounds. Hours: 9 a.m. to 4 p.m. Admission \$3 includes a ticket on the gold coin draw, more than 50 tables of coins, paper money, gold and silver bullion, militaria, jewelry, watches and more. Food and drinks available at show. Sponsor/Affiliate: Ted's Collectables Inc. For more information, contact Ted Bailey, telephone 519-442-3474 or 1-866-747-2646, email tedscollectables@bellnet.ca.

SEPT. 9, Brampton, Brampton Coin Show, Century Gardens Recreation Centre, 340 Vodden Rd. E. Hours: 9:30 a.m. to 4:30 p.m. Admission \$3, under 14 free. *Buy, sell, trade and appraise at more than 40 tables of dealers, featuring coins, medals, tokens, paper money, trade dollars, militaria. Children's table. Free parking. Funds raised for Children's Charities* For more information, contact B&W Coins & Tokens, Willard Burton telephone 905-450-2870, email b_and_w@sympatico.ca.

NUMISMATIC VOCABULARY: BRONZE VS. BRASS

by Dick Johnson, from the E-Sylum on the Internet

The Manhattan Beach California struck piece mentioned in the last two issues of E-Sylum is an attractive numismatic item. It is called a “coin” which does not bother me—it is not a coin by numismatic definitions because it does not bear a denomination—but it is struck in a coining press so the term can be considered appropriate because it squeaks in under the umbrella of “coining.”

What does bother me, however, is calling the bronze version “brass.” Granted, the boundary line between bronze and brass is not finite. Both are alloys of copper. I once wrote that copper is the word’s most popular coinage metal. Mixed with a portion of zinc and or tin it is bronze, it is alloyed in coinage nickel, with silver it forms sterling or .925 fine silver. Copper is even alloyed with gold to lessen its karat content.

So what is the difference between bronze and brass? If the zinc is less than 10% it is bronze. But numismatists are not satisfied with the term at this precise formulation.

For numismatists—who can best describe an item by inspection—the term is determined by color. If the piece is brown it is bronze. If it is golden yellow it is brass. But the color of the metal alloy doesn’t change until the zinc content is above 15%, or as expressed in the metalworking trades, copper 850 zinc 150. This adds to 1000, but sometimes expressed .850 and .150 to add to 1—the total amount.

Technically that area between 10% zinc and 15% zinc alloyed with 90% to 85% copper is called red brass. At zinc 160 copper 840, one percent more zinc you find a solid yellow-brass color. This continues as the amount of zinc increases. However red brass is not permanent. Like a freshly struck U.S. cent it is copper-red color that after about six month’s time harsh exposure or much handling in circulation has turned brown. It is the copper content that causes the color change.

All of these copper alloys have been used for coins under a variety of terms for the various compositions. These include French bronze, tombac, Dutch metal, Mannheim gold, copper-nickel, and ultimately oroide or goldine. The latter is at 33% zinc content with an obvious brass-gold color.

In medal rank, brass is beneath bronze: Gold, Silver, Bronze, Brass. Thus bronze is a



tad bit more éclat with a higher esteem. respect, repute, it is more desirable.

This wide diversity of zinc content in copper alloys also has another popular use—foundry casting of statues. Statues can be made from the same metal as copper, bronze or brass alloys used for coins. The standard alloy for bronze casting is 900 copper, 030 zinc, 070 tin. Makes the best for casting and the patina afterwards for both indoor and outdoor statues.

When the zinc is entirely replaced by tin it can be used for bell manufacture. However, after centuries of bell manufacture, bell foundries like to get as close as possible to 78 to 80% copper and replacing the zinc entirely with tin content at 20 to 22%. I guess this is best for the sound quality.

Impurities can be found in all these compositions by spectrographic analysis. Other metal elements are often found in these alloys. A trace of phosphor is sometimes beneficial (up to 0.2%). A trace of lead is undesirable. However, even lead in a copper-zinc composition is permissible for making cartridge casings for ammunition. Since these encase lead projectiles, lead will be found in spent cartridges, particularly when reused over and over, or melted and made into new cartridges.

We could not have all the world’s coins if we did not have copper. The alloys of copper for numismatic items have been called many things. But it’s okay to call brown coins or medals “bronze” and golden yellow coins and medals “brass.” One variety of the Manhattan Beach Centennial Medal is brown. Let’s call it bronze.

The bronze medal is illustrated at: manhattanbeachcentennialcoin.com.

Bob Neale responded:

I don’t wish to be argumentative, but I would like to note this in regard to the learned Dick Johnson’s write-up about the composition of brass vs. bronze. Most people, especially chemists, consider bronze to be a mixture of copper with tin (and sometimes other things), but not with zinc. Brass is copper with zinc (and in my recollection, often some tin as well). My point is that his comment that “If the zinc is less than 10% it (the copper alloy) is bronze.” may be misleading, as this implies that bronze can contain a significant percentage of zinc. (But maybe it can among coinage metallurgists.)

Paul Schultz responded:

I read the brass vs. bronze definitions in last week’s E-Sylum, and thought I might clarify it from a metallurgist’s point of view.

The problem comes about in the origin of the names, from tradition dating back hundreds of years for some specific alloys, vs. modern definitions for general groups. The modern metallurgical definitions I was taught in my courses for a Master’s degree in metallurgy reveal a confusing difference between alloy groups and specific alloys.

For the general categories, the definition of a brass is copper alloyed with less than 40% zinc, and no other elements. Copper with over 40% zinc is Muntz metal. Copper alloyed with anything other than zinc, (especially tin, but also aluminum, nickel, etc, and it may also include zinc along with these other elements) is considered a bronze alloy. An aluminum bronze is copper with aluminum plus possibly other elements, nickel bronze is copper with nickel plus possibly other elements, etc.

The confusing problem is the overlapping traditional naming for the very specific alloys, which go back hundreds of years, and which are not fully consistent with the above modern system. “Commercial Bronze,” composed of 90 copper and 10 zinc, is really a brass alloy by modern definition. “Aluminum brass,” at 76 copper, 22 zinc, and 2 aluminum, is really in the bronze series.

\$3 MILLION LOONIE AND TOONIE SPILL

from a story by Allison Cross in National Post



A Brinks security truck was travelling south at 4 a.m. on Wednesday morning March 28 between the communities of Ramore and Kirkland Lake when it crossed the centre line and hit a rock-face in the opposite ditch, said Constable Marc Depatie of the South Porcupine OPP. A tractor-trailer travelling northbound then hit the security truck, which was then hit by a minivan. A third tractor-trailer, hauling candy, then smashed into the rear of the second tractor-trailer, spilling some of its load onto the road. The driver and passenger from the truck were taken to nearby hospitals with life-threatening injuries.

The security truck's cargo—slightly more than \$3 million in uncirculated loonies and toonies—spilled out onto the highway and surrounding area, roughly 300 kilometres north of Sudbury. "There's \$3 million in one and two-dollar coins on the highway along with a considerable amount of confections and candy," said Constable Depatie, who wasn't able to say what kind of candy it was.

By 4 p.m. on Wednesday, the highway was still blocked in both directions. Police remained on the scene to provide security for the removal of the coins. Traffic personnel are also conducting an investigation, Constable Depatie said.

"This is rather unusual. I'd hazard to guess that this is the first time in the detachment's history that we've had to investigate a collision of this scale and its uniqueness speaks for itself," he said. Police don't know yet what caused the driver of the Brinks truck to cross the centre line.

Authorities in northern Ontario planned to use an industrial strength magnet to pick up the roughly \$3 million in coins.

With the Royal Canadian Mint's announcement on April 10 of new \$1 and \$2 coins ready to immediately enter circulation, it is now a reasonable guess that it was these new coins that were in transit for distribution from Brinks in Toronto. As these coins make it out into circulation, take a close look: the scratches, nicks and gouges on these pieces could be far more than bag marks!

Bronze Vs. Brass (Cont....)

The situation creates more confusion than it alleviates. Specifically for coinage, I believe that most of the copper zinc alloys that are used have a more golden color, and the copper tin alloys have a lighter color. For coinage, it may be more practical to use the modern category definitions, which are more consistent with the colors we see in coinage, and ignore the specific traditional names like "Commercial Bronze." Reference for most of the above is "Physical Metallurgy for Engineers," Donald S Clark and Wilbur R Varney, Van Nostrand 1962, pp 392-393.

Your Editor concludes:

When we were producing the North York Coin Club 50th anniversary medal, we were very definite about the composition of the various pieces on little tickets included with each medal. In addition to the pure silver, we produced it in a few other metals including commercial bronze and brass. The commercial bronze was Alloy #220 which is 90% Cu (copper) and 10% Zn (zinc) while the brass was specifically Alloy #260 which is 70% Cu (copper) and 30% Zn (zinc).

For the O.N.A. 50th anniversary medal just produced, it was Alloy #220 commercial bronze gold plated and Alloy #260 brass.



The security truck's cargo—slightly more than \$3 million in loonies and toonies—spilled out onto the highway and surrounding area, roughly 300 kilometres north of Sudbury

RCM INTRODUCES A NEW GENERATION OF ONE- AND TWO-DOLLAR COINS

Multi-ply plated steel composition and visible security features are latest evolutions for Canada's Loonie and Toonie

On April 12 the Royal Canadian Mint announced that a new generation of one-dollar and two-dollar circulation coins, incorporating advanced security features and manufactured using the Mint's proprietary multi-ply plated steel technology entered circulation. More cost-effective than their predecessors and unprecedented in their security, these new coins retain the "Common Loon" and "Polar Bear" designs and physical appearance familiar to millions of Canadian consumers and businesses. Existing one-dollar and two-dollar coins remain legal tender and will continue to circulate alongside this new generation of circulation coins.

"As an industry leader and innovator focused on delivering the best quality and value to its customers, the Mint is pleased to have produced a new generation of one-dollar and two-dollar circulation coins which set new standards in cost-effectiveness, durability and security," said Ian E. Bennett, President and CEO of the Royal Canadian Mint. "By combining the Mint's patented multi-ply plated steel technology and sophisticated security features never before seen on Canadian coinage, our new high-denomination circulation coins reinforce the modern and innovative reputation of Canada's currency system."

The new one-dollar and two-dollar coins are manufactured at the Mint's facility in Winnipeg, Manitoba using the same patented multi-ply plated steel (MPPS) technology from which Canada's lower denomination circulation coins have been made since 2001. This proven technology, by which a steel core is plated with alternating layers of different metals such as copper, nickel and brass, employs far less metals than alloy coins and produces highly cost-effective circulation coins.

The Mint's ability to control the plating thickness of each metal layer also provides greater flexibility in controlling electromagnetic signatures. This makes the security of MPPS coins superior to non-plated alloy

coins of the same dimensions. Thanks to the superior advantages of its patented technology, the Mint's Winnipeg facility has been producing MPPS circulation coins for a growing list of international customers looking for the best combination of cost-effectiveness, quality and security.

The next generation of one-dollar and two-dollar circulation coins also incorporates new, visible security features, which further enhance the security and integrity of Canada's coinage system. The reverse (or tails side) of both coins features a laser mark micro engraving, and the two-dollar coin also contains a virtual image and edge lettering. With the exception of these additional security features, the new coins will have the same diameter and thickness as the current coins.

These changes to the one-dollar and two-dollar circulation coins, which support the effort to modernize Canada's currency system, are permanent. The new coins will soon appear in general circulation and will be available through daily business transactions across Canada. All previous versions of the one-dollar and two-dollar circulation coins issued since 1987 and 1996, respectively, remain legal tender and will continue to circulate as usual.



DEBASEMENT OF THE ROYAL IMPERIAL CURRENCY

by “Sovereign Man” from his April 16 blog on the Internet

The consistent theme from my travels so far in Europe—the UK, Scandinavia, Lithuania—has been noticeably higher prices. Shockingly so, in some instances.

London, where I spent a rather pleasant and rare sunny weekend with friends and colleagues, has gone from being ‘stupid’ pricey, to just plain absurd. Tube prices, taxi fares, food prices, restaurant bills, train fares . . . it all keeps going up. And to cap it all off, the British government’s VAT increases have ensured that absolutely everyone is paying a little bit more.

Here in Lithuania, the buzz around town is the spiralling gasoline prices, which have shot past \$7/gallon in local currency. The bootleg fuel industry is thriving here as smugglers bring in cheaper fuel from neighbouring Belarus and sell it at a 30% discount.

Needless to say, the local government, looking to get its fair share, heavily frowns upon such practices. Fuel smuggling operations now involve such an intricate network of audacious deception and bribery, it ranks up there with the tall tales of America’s famed Prohibition-era bootleggers.

Now, the official story for rising prices across Europe usually involves some insipid excuse about tensions with Iran or weather. And in nearly every instance, the government propaganda machines simply insult people’s intelligence and understate inflation by an entire order of magnitude.

Yet as John Maynard Keynes, the high priest of modern monetarism, once said, “There is no subtler, surer means of overturning the existing basis of society than to debase the currency. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which not one man in a million is able to diagnose.”

Prescient words from the man whose General Theory constitutes the playbook from which modern politicians and central bankers routinely pillage the livelihoods of billions of people across the planet.

Currency debasement, though, has a long and distinguished history.

In his 1958 work *State and Currency in the Roman Empire to 300 A.D.*, Sture Bolin outlines the systematic (and almost constant) debasement of the silver denarius coin of ancient Rome, which I have reproduced below.

Subsequent emperors became even more clever at debasing the currency; Caracalla (reign 211–217 AD) created a new coin, the Antoninianus, which had a face value far greater than its weight and metal content.

Under Gallienus (reign 260–268 AD), the Antoninianus was composed of less than 5% silver. By the time of Aurelian in 270 AD, further debasement was essentially impossible . . . though they kept trying.

Such debasement led to rampant inflation in the empire. A slave under the reign of Commodus that cost 500 denarii was five times as expensive under Septimius Severus. A second century modius of wheat (about 1/4 bushel) sold for 1/2 denarius. By the time of Diocletian’s price fixing in 301 AD, the nominal price was 200 times more expensive.

In Roman Egypt, where the best docu-

mentation on pricing has survived, a measure of wheat which sold for 200 drachmae in 276 AD increased to more than 2,000,000 drachmae in 334 AD, roughly 1,000,000% inflation in a span of 58-years.

In his 1960 work *Roman Coins*, historian Harold Mattingly remarked about Roman inflation that “[t]he Empire had, in all but words, declared itself bankrupt and thrown the burden of its insolvency on the citizens.”

Other historical examples abound, but Mattingly’s assessment sums it up the best. Any government that resorts to debasing the currency is making a conscious decision to stick the people with the consequences of its insolvency.

In the starkest example of modern times, the United States government is insolvent to the tune of tens of trillions of dollars and hemorrhaging cash on a daily basis.

Meanwhile, the US dollar has lost 95% of its value while under the management of the Federal Reserve since 1913.

Today, the Fed’s balance sheet has expanded to nearly \$3 trillion of shaky, questionable assets . . . while posting a mere \$55 billion in capital, roughly 1.8%. This is about the same level to which Lehman Brothers was leveraged before its own spectacular collapse in 2008.

Yes, there’s a reason the fuel smuggling business is thriving in Lithuania and prices in

London have become absurd. Like the Roman Emperors of the past, today’s political elite are throwing the burden of their insolvency onto the people.

And as history further shows, when you cannot trust them with your currency, you certainly cannot trust them with your liberty.

Emperor	Reign	Average Silver Content
Nero	54-68 AD	91.80%
Galba	68-69 AD	92.60%
Otho	69 AD	98.20%
Vitellius	69 AD	86.10%
Vespasian	69-79 AD	84.90%
Titus	79-81 AD	80.30%
Domitian	81-96 AD	90.80%
Nerva	96-98 AD	90.70%
Trajan	98-117 AD	85.40%
Hadrian	117-138 AD	84.10%
Antoninus Pius	138-161 AD	80.00%
Marcus Aurelius	161-180 AD	76.20%
Commodus	180-192 AD	72.20%
Pertinax	193 AD	76.00%
Didius Julianus	193 AD	81.00%
Septimius Severus	193-211 AD	58.30%

source: Sture Bolin, *State Currency in the Roman Empire to 300 A.D.* (1958)