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MEMO

To: Glen Clark, premier

From: Andrew Scott, freelance writer

Subject: Surefire revenue-generating project

Are you aware, esteemed sir, that deep in the vaults of the provincial archives are several modest objects with fabulous fund-raising potential? Obviously not, or I'm sure you would have already made them part of your never-ending quest for new sources of government revenue. Permit me, then, to place before you a cunning scheme.

The objects in question were used, many years ago, to create a handful of small but curious items, most of which were subsequently lost or destroyed. Every blue moon or so, one of these baubles surfaces for sale. As fate would have it, not one but two of the rare curiosities have appeared on the market in recent years. The first was sold in 1996, at public auction in Baltimore. The other will go on the block in October 1999.

In a newspaper account of the Baltimore auction, a breathless expert said that he "wouldn't be at all surprised" if the historic item "fetched half a million dollars." This estimate proved over-enthusiastic, as the novelty was knocked down for a disappointing \$143,000 US—about \$200,000 in puny Canadian funds. This may not be enough to buy all the life-saving equipment needed by British Columbia's hospitals, but surely, sir, it would put a dent in the severance package of a redundant health-care administrator.

Honourable premier, here is the crux of my memo. The objects employed to construct the \$180,000 oddity still exist, and might be used, over and over again, to manufacture identical articles at insignificant expense. As more and more of these wondrous ornaments came onto the market, their price would decline, of course. Even so, I believe the government's impoverished coffers would see a significant influx of cash as a result of my scheme.

Before I provide details, indulge me while I sidetrack briefly to a dark time in the life of our glorious province, when government finances were in sad disarray and unscrupulous fortune-hunters roamed the land. Don't flinch, gentlemen. The era I refer to is not our current one, but the 1860s. BC was but a newly minted colony. Gold had been discovered on the Fraser, and thousands of would-be miners were here to try their luck. Some had nuggets and flakes and dust to show for their labours. But few had any actual money, as cash was in short supply on this most distant of frontiers. Various coins did circulate. Loyal colonial and Hudson's Bay Company officials encouraged the use of pounds, shillings and pence. Most

storekeepers preferred US dollars and cents. Chinese merchants were partial to silver Mexican reales. All these currencies, scarce though they were, had fixed and known values.

Although gold also had a fixed value and was frequently used as a medium of exchange, the process of bartering it for goods and services was most unsatisfactory. Purity was difficult to establish. Flakes and dust could easily be given the Bre-X treatment. Even gold bars had to be insured and shipped abroad before becoming legal tender. Local traders would only accept the precious metal at a steep discount, and most miners refused to do business with them. Miners travelled instead to San Francisco, where a branch of the U.S. mint turned their gleanings into coin for a low fee. Naturally, they then purchased goods and paid taxes—or else squandered their loot—south of the border, much to the disadvantage of BC's merchants, officials, saloonkeepers and whores.

The obvious solution was to set up an assay office and mint in BC. The assay office came first, in 1860, and was established at New Westminster, the colony's capital. Two years later, the colonial treasurer, an ambitious, eccentric Royal Engineer captain named William Gosset, persuaded governor James Douglas that it was time for BC to produce its own coinage. Gosset's designs for \$10 and \$20 gold pieces featured a crown on one side and the value of the coin, wreathed with oak leaves and acorns, on the other. The chief assayer, Francis Claudet, was dispatched to San Francisco with orders to buy a second-hand minting machine. And a San Francisco engraver, Albert Küner, formerly of Bavaria, was hired to prepare some dies. Those dies, dear sir, are still in the government's possession.

But BC's little venture into coin-making was not a success. The equipment was duly purchased and installed, but then the experiment dragged to a standstill. The assay-office staff, in staunch BC tradition, went on strike. Minting was not in their original job description, they complained, and they wanted more money. They were probably tempted to manufacture it themselves, don't you think? The autocratic James Douglas, of course, was not pleased with this job action. And he detested his mercurial treasurer.

Douglas had told Gosset to mint nothing until instructed to do so. Gosset, however, struck off several \$10 and \$20 samples—the first gold coins produced in British North America. The \$20 pieces weighed slightly more than an ounce and were made from unrefined gold of 85-percent purity. They also contained a small bonus in silver. John Robson, premier of BC from 1889 to 1892, remembered meeting the treasurer with “the coins in his hand, jingling and admiring them, as a child would a new and very attractive toy.” Robson later acquired a \$10 piece and wore it on his watch-chain. Douglas eventually authorized other specimens to be minted, and

Gosset may have made additional keepsakes for a few of his New Westminster cronies.

Gosset left his post and went home to England on sick leave in the fall of 1862. He did not return. Douglas, angry at his treasury officials, let the matter of the mint slide, and the machinery soon became inoperable. It was never repaired or used again. Some parts were sold; others were stored in the attic of the New Westminster jail. Most have since disappeared, though several bits and pieces can be found in local museums.

No one knows exactly how many gold coins were minted. Ron Greene, a Victoria collector who has spent years studying BC's coinage, believes that less than five of each value exist today. They are among the rarest coins in the world. Several silver prototypes also survive, struck by the engraver in San Francisco. BC Archives in Victoria owns what is thought to be the only complete group of gold and silver \$10 and \$20 pieces. I have viewed this extraordinary quartet, sir, and I encourage you to do so, too. The sight of so much history can be inspirational.

In appropriate circumstances, and with due ceremony, a senior archivist will bring the coins from the vault and proffer them for inspection. The set, encased in clear plastic and kept in a black leather binder, took almost a century to assemble. The \$20 gold coin had always been in government hands. The silver trials were bought from Francis Claudet's son in 1946. The \$10 gold piece, badly worn and pierced by a hole, is the same one owned by John Robson. According to a press release issued in 1953, when Robson's grandson donated the coin to BC, its mutilation "greatly enhanced its value" to the archives because of the "personal association" with its former owner.

The remaining coins, which once changed hands for as little as \$1,000, are now scattered showpieces in the world's greatest collections. The British Museum has both \$10 and \$20 gold pieces. The Canadian Imperial Bank of Commerce owns a \$20 coin. The highlight of the 1996 Baltimore sale, also a \$20 value, once belonged to Chicago beer baron Virgil Brand, and later to John J Ford, Jr. The \$20 coin to be sold next October (by David Akens of Florida's Numistatics Inc) was part of the huge John J. Pittman collection. It was previously owned by King Farouk of Egypt. Ron Greene, for one, believes it could easily bring in \$200,000, perhaps more.

Gentlemen, is my scheme not obvious now? Mint more coins. Auction them off to the highest bidders. If the British North America Act forbids BC to produce its own currency, then call the coins souvenirs. Collectors and historians will object, of course. Provincial archivist John Bovey refused to condone my idea. Ron Greene thought it "improper in more ways than one. It might also be illegal." He couldn't imagine any government authorizing such a thing. Improper, illegal, unimaginable: that was what people said about casinos and slot machines. But once we knew they were good for the

economy, then we made them legal! We can surely do the same with our coinage.

Sir, I offer this idea as a patriotic citizen, with no thought of personal gain. Should you wish, though, to recognize my contribution with some trifling token, gold-coin cuff-links would be most acceptable.