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Immediately upon the outbreak of War, heavy demands for silver coin began to be made upon the Bank of England. These demands were first due to the requirements of the Army and Navy at home and abroad, to the Separation Allowances, etc., made to soldiers' and sailors' dependents, to the heavy wages soon paid to munition workers and other producers of War material; also, to some extent, to the fact that the early issues of Currency Notes were unpopular. Currency Notes did not at first obtain favour owing to unfamiliarity and to the fact that the working class feared to lose small pieces of paper; and partly because the Notes were found to be difficult to handle when wages had to be paid quickly to large numbers of employees. There was also some evidence of hoarding in the hope of realising a premium on the coin.

It had been the aim of the Bank before the War to keep a stock of about £1.250.000 of silver, and on the 1st August 1914, £1,075,000 was held. This was reduced on the next working day, the 7th August, to £279,000 and from that time onwards until after the turn of the year there was a rather acute shortage. The Bank continually urged the Mint to increase its deliveries, but not unnaturally it was impossible to keep pace with the sudden demand, although the Bank reluctantly allowed the coinage

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of gold to stand over for about three weeks at the beginning of September. The Bank suggested that outside firms should be employed for silver or bronze coinage, but for various reasons the Mint thought there was nothing to be gained by adopting this suggestion. The pressure upon the Bank came from all sides, but the Mint considered it necessary to give a preference to Government works, such as Woolwich Arsenal, Dockyards and other establishments manufacturing military supplies; notwithstanding that this course occasioned a good deal of grumbling and annoyance, the Bank gave in to their view and succeeded in avoiding serious trouble though receiving repeated complaints from the Admiralty, War Office, Paymaster and the Banks, indifferently.

By the end of the year the Mint had put out £5,350,019 of silver (76,833,540 pieces), in addition to which it must be remembered that between the 7th August 1914 and the 3rd February 1915 over 25½ million Postal Orders were issued, these having been made legal tender. To ease the situation, the Mint proposed the discontinuance of gold coinage, the issuance of Notes for smaller amounts than 10/-s, and the suspension, at any rate temporarily, of the Bank's regulation limiting the amount of silver coin which might be paid in free by any one Bank to £3,000 weekly, they hoped and believed that "saturation" point would soon be reached. As regards

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the suggestion to suspend the commission on silver, the Bank considered that the other Banks should accumulate a stock sufficient for their own needs, and that to waive the charge would probably result in the Bank's being flooded with silver coin which they would have the trouble of handling and which would shortly be withdrawn again at the other Bankers' convenience.

The Bank sent to their Branches in the half year ending 31st January 1915 £2,741,400 of silver, an amount more than five times as great as in the previous half year.

With the beginning of 1915, the demand was temporarily overtaken and from the 1st March the coinage of silver was discontinued and gold taken in hand. At the end of June, the silver held by the Banks had risen to £9,950,000 (as compared with £8,246,000 a year previously).

At the end of July, however, the Bank found it advisable to warn the Mint that, in view of the impending efforts to withdraw gold from circulation, a fresh demand for silver was sure to arise. The extent of this demand seems, however, to have taken even the Bank a little by surprise. By the second week in September, the Bank felt that the Mint were insufficiently appreciative of the situation. As a result of a remonstrance addressed by the Bank to the Treasury, bronze coinage was stopped and

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The Governor suggested to the Chancellor in October that the Mint should be enlarged, but this course was not considered feasible.

The Mint again proposed that a preference should be given to Government Factories, etc., but on this occasion the Bank were successful in securing an equality of treatment.

Applications for silver fell away in January 1916, and the Mint, believing that the demand was satisfied for the time being and that the output of bronze must be increased, began a diminution of supplies. They also expressed the view that further large purchases of silver might unfavourably affect the American Exchange. The Governor thought that the effect of such purchases could not be seriously considered in relation to the Exchange position and urged the making up, without delay, of the Bank's stock; and as the expected return of coin

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from circulation did not materialise, the Bank gave fresh orders for silver to the Mint. By the third week in March supplies were barely meeting demands and the Bank once more protested to the Mint and to the Chancellor pointing out that the coinage of gold also must be soon recommenced. Requirements continued and with the further Autumn increase the Bank pressed the Mint and the Chancellor yet again, complaining that bronze was being coined instead of silver and repeating their suggestion that some part of the currency should be manufactured elsewhere. The Chancellor again replied that this was impracticable. Soon after, the Bank themselves experienced a demand for bronze and had to ask for £200 in pence per week for the Paymaster.

The end of 1916 found the Mint still optimistic regarding future requirements and the Bank no less apprehensive. The Bank had succeeded during the year in increasing their stock from practically nothing to over £1,300,000, but the "saturation" theory had so far failed and with the continuing expansion in the Currency Note issue silver supplies must be kept high.

Lord Cunliffe wrote to Mr. Bonar Law, the new Chancellor, stating that in his opinion a stock of at least £3 millions was necessary and that the

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only solution seemed to be to enlarge the Mint: the Chancellor once more said that to do so would certainly cause a diminution of output for the time being and would be in any case a difficult matter. He pointed out also that supplies could not be substantially increased without "directly enhancing the famine price" already reached: if the price of the ounce went up to s d 3/8½ there would be serious trouble in connection with the currency of India.

By the Spring of 1917 evidence began to accumulate that silver was at last becoming redundant in some parts of the country. Certain Banks reported surpluses and tentative arrangements for the transfer of these balances to districts where there was still a shortage began to be made by the Mint, the Bank of England and the Banks themselves. Silver coin aggregating £588,000 was also repatriated from France, and some further amounts were received from West Africa, a source whence supplies had already been drawn from time to time. At the end of June the Banks held the large total of £11,306,000 and during the year Bankers paid into the Bank of England over £1,700,000. On the 5th June a new Deputy Master of the Mint was appointed, Mr.J.W.Cawston succeeding Sir Thomas Elliott. As will be seen from the Tables subjoined, the output of the Mint during 1917 fell to a comparatively low figure.

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For the year 1918 the Bank roughly estimated their requirements at £2/3 millions. A fresh order had to be placed early in the year, the outflow at Christmas having failed to return. On the 16th March the Bank had once more to draw attention to the fact that the Mint's supplies were insufficient. Two days later, the Deputy Master admitted that the Mint were behind hand in every respect and could see no way out of their difficulties unless by the issue of small Notes (the 5/-s denomination had now been printed). Apart from the difficulty of increasing the output there was a shortage of bullion. Production had diminished and in this year the great demand for India arose, that country taking in 1918/19 112% of the world's average annual production of silver in the pre-War quinquennium.* Moreover, reports of hoarding coin were once again coming in, especially from Ireland,+ where it was alleged that enemy propaganda had succeeded in throwing doubt on the value of Currency Notes. The Governor was inclined to think that the

*Not only was it necessary to provide against a possible run on the Agencies to cash silver certificates but the position was accentuated by the fact that the large war-time exports from India could not be balanced by imports, resulting in an excessive demand for rupees and the absorption of these into circulation.

+A D.O.R.A. Regulation was issued in May 1918 prohibiting the hoarding of silver coin in Ireland, and a later Regulation prohibited hoarding in all parts of the United Kingdom. (18.5.18)

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announcement that the 5/- Notes had been printed might increase hoarding, which might even be further stimulated by the actual issue of the Notes. He considered that if 5/- Notes went into circulation smaller denominations would soon be required.*

At this time the Bankers seemed to be comfortably situated for silver but the Bank of England's reserve had sunk to £700,000. In May the Bank urged that dies for silver coinage should be sent to Canada, so that the Ottawa Mint might assist. The Mint replied that their Die Department was too overworked to make the additional dies necessary. By the middle of May the Bank had been obliged to allow part of their own supplies to be diverted to Ireland, and the Mint was practically out of bullion, having apparently failed to secure in time a sufficient part of the silver freed by the United States Government. The Bank then intervened, interviewing the Mint's brokers and bringing pressure to bear upon the Shipping Controller; at the same time the Governor wrote to the Deputy Master disclaiming all responsibility for the breakdown, should one occur.

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*At the request of the Treasury the Bank had drawn up a soheme for the issue of Notes of the denominations of 5/-, 2/6 and 1/-. The procedure was to be similar to that adopted in the case of the issue of £1 and 10/- Notes, but where possible Notes were to be re-issued. In July the Chancellor was said to be in favour of issuing small Notes but was dissuaded by the Bankers. (Vide Treasury Committee Minutes 24.7.1918.)

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Fortunately, from this point onwards, the position slightly improved. Further coin was received from France in June and the Bank managed to maintain a reserve of about half a million. On the 1st August the Bank issued a memorandum asking the Bankers to co-operate in reducing the demand for silver coin by distributing any surplus stocks they might hold and by making greater use of 10/- Notes. Nevertheless, at the end of the year, in their annual survey of the situation, the Bank had to point out that they still had no evidence of a slackening in the demand and estimated that they would probably require in 1919 all the coin that the supply of bullion would permit to be struck.

At the beginning of 1919 the position showed a slight improvement, though only one Bank reported a surplus and a shortage of bronze was still being experienced. In June the Bank received £250,000 from one Bank, but in spite of the fact that at the end of the month a record total of over £15 millions was held by the Banks they were understood to allege that they possessed no more than enough: the Bank of England consequently did not allow the Mint to relax their efforts until August, when coinage was stopped for a month. The demand from the Provinces had, however, been greatly reduced in the previous months, as is shown by the table of the Bank's shipments to the Branches.

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Nevertheless in the Autumn the usual drain upon the Bank's stock recommenced. The Mint were disinclined to accept a fresh order, owing to the high price of silver which, now being about 64d. per ounce, was near the point at which melting of coin would become profitable.* But as the Banks still asserted that they held no more than was sufficient for current demands, a fresh order for silver coin was given.

Towards the end of the year small Notes were still regarded as a possibility in view of the further rise in the price of silver to about 78d. per ounce, and in January 1920 the Bank's stock was again down to £700,000 and instances of melting were reported.

Towards the end of January silver touched 85d. per ounce and about this time recoinage was decided upon. This course the Governor considered preferable+ to the issue of small Notes, as a coinage of debased metal would obviate all possibility of silver coins attaining in future a value as bullion greater than their face value. The Governor also advocated the use of nickel 3d. and 6d. pieces.

On the 8th March 1920 a Committee was appointed by the Treasury, consisting of the Deputy Master of the Mint (Sir J.W. Cawston, K.C.B.), the Secretary to the Bankers Clearing House (R.Holland Martin, Esq., C.B.), the Chief Cashier of the Bank of England and Mr. S. Sydney-Turner of

*22nd October 1919. The Committee of Treasury considered that steps should be taken as soon as possible to prohibit the melting and export of silver. The melting of silver was prohibited by an Order in Council dated the 29th October 1919.

+For views of Treasury Committee vide Minutes 19th November 1919.

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the Treasury, and the arrangements for the withdrawal of the old coin and the substitution of the new silver were the result of their deliberations.

On 31st March 1920 the Coinage Act 1920 (10 Geo. V c. 3) was passed, reducing the fineness of the silver coins thereafter minted from ·925 fine to ·500 fine. At the same time the Clearing House circularised the Bankers throughout the country requesting them to furnish particulars of the silver coin in excess of their requirements which was held by them. At the beginning of April deflation had begun and no doubt this gave confidence to the Banks as to the sufficiency of their currency supplies. However this may be, it was discovered that there was a large surplus, upwards of £2,000,000, held by Branch Banks throughout the country: Irish Banks were also in possession of very large amounts. That after the turn of the tide there should be a big surplus is not very surprising when the fact that during the years 1914-1919 the Mint had issued nearly £39,000,000 in silver coin, as compared with £11,388,000 in the previous six years, is taken into consideration.

Towards the end of April 1920 the Banks were asked by the Clearing House to furnish the Bank of England on the 15th and on the last day of each month with Statements of their surplus silver coin, it being understood that any Bank showing a surplus of £3,000 or

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The returns of the Bankers enabled the Bank to control the flow of silver coin and to distribute it over the country wherever it was most needed.

All Banks were able to apply to the Bank of England for help in case of shortage at any of their Branches, and under the Bank's direction large sums of money were transferred from place to place. The Bank were enabled not only to keep all the Bankers fully supplied with old silver coin, but also to pass on to the Mint a considerable sum for recoinage. It was arranged that the Bank should receive from the Mint new coin to approximately twice the amount of the old coin. This rate of delivery was not maintained, but during the year 1920 £4,000,000 new coin was received from the Mint, £3,175,000 old coin being returned to them by the Bank. The difference helped to swell the Bank's stock, already much increased by the collection of Bankers' surpluses, amounting to over £4,250,000 in the year. To avoid the artificial inflation of the Reserve* which would have resulted, it was decided to keep the silver figure therein below £1,500,000, and to pass to a "silver Coin Reserve" account among the "Unproductive Securities" sums not required.+ This account was opened on the 29th July 1920.

*i.e. the Banking Reserve.

+By a resolution of the Committee of Treasury 28th July 1920 the silver coin in the Banking Reserve was to be limited to some 10%.

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All expenses inourred by the Banks in sending coin to the Bank for recoinage were borne by H.M.Treasury, while the expenses of transferring coin from Bank to Bank were borne as to 50% by H.M.Treasury and as to 50% by the forwarding and receiving Banks in equal shares.

All of the Banks were of great assistance to the Bank of England throughout the year and it was largely due to their efforts that the scheme was successful.

During October 1920 supplies of £10,000 and upwards of the new coinage were issued to the Banks in order that they might have time to make up the coin into convenient amounts, but they were required to give a written guarantee that no new silver should be issued without the consent of the Bank.

On the 6th December 1920 a Notice was published giving Bankers full particulars regarding the issue of the new silver coin and the withdrawal of the old coin, and on the 13th December the new coin began to be put into circulation. From that date onwards the Banks were requested to cease supplying their customers with the old coin. As may be supposed, the existing supply of the new coinage was very quickly absorbed and soon the demand far exceeded the supply. The Mint's inability to cope with this demand seriously retarded the withdrawal of the old silver from the country and during the first few months of 1921 caused considerable inconvenience to some Bankers, who were forced at times to re-issue old silver after it had been separated

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from mixed coin with expense of time and labour. If greater reserves of the new coinage had been accumulated before the issue began there is no doubt that a great saving of labour and inconvenience would have been effected.

The expenses connected with the issue of the new silver and the receipt of the old silver were kept separate and in due course recovered from the Government. No insurance was effected on the consignments in or out. Boxes and bags for the return of silver were supplied as required so that Bankers were put to no expense in effecting the exchange.

During the year 1920 the Bank issued £3,895,000 new silver coin and withdrew from circulation, as stated above, £4,520,000 old silver coin; up to the 31st August 1921 the amount of new silver coin issued by the Bank during that year was £4,807,000, while £9,280,000 old coin was withdrawn from circulation. Of the total of £13,800,000 old coin thus withdrawn, £7,725,000 was passed on to the Mint for recoinage, while £3,000,000 was set aside on the 14th April 1921 on behalf of the Currency Note Redemption Account.* Since the Bank received from the Mint during the same period only £8,989,000 in new silver coin it was realised that in a short time the Mint would hold a large surplus of old coin.

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*Amount unchanged at 31st August 1921.

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On the 24th March 1921 a further Committee was appointed to advise the Treasury as to the disposal of the surplus silver arising out of the recoinage. The Committee consisted of the Governor or Deputy Governor of the Bank as Chairman, the Deputy Master of the Mint, Mr. O.E.Niemeyer, C.B., the Deputy Controller of Finance, Treasury, Sir Bernard Hunter, London Manager of the Imperial Bank of India and Mr.C.F.Wood, Chairman of the Colonial Bank. As a result of this Committee's recommendations, the Treasury sanctioned the sale of the surplus silver belonging to the Mint to the Hong Kong & Shanghai Banking Corporation and the Chartered Bank of India, Australia & China in equal moieties. Messrs. N.M.Rothschild & Sons were to melt the silver into standard bars at a maximum charge of $\frac{1}{8}$d.per ounce gross. In order not to disturb the market by unnecessary competition, certain supplies belonging to the West African Currency Board were also admitted into the pool (in the rough proportion of 1 to 2). Agreements binding the Banks and melters from the 1st July 1921 to the 31st March 1922 were signed. The price to be paid for the silver was the average London "spot" price for the month during which sales had been effected.

By July the Bank and the Mint had come to the limit of their capacity for storing surplus silver and it was necessary to transfer a considerable amount to

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the Tower of London.

At the end of August 1921 new silver coin was being issued in exchange for old at the rate of about £150,000 a week and the Bank's published stock was over £1,300,000, a figure which was somewhere near the average for the year to that date, but as explained above this level was an arbitrary one, for on 31st August 1921, the "Silver Coin Reserve Account" held another £1,910,000.

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New Silver Coin received by the Bank from the Mint.

1913	£1,271,000
1914	£5,147,000 (of which after 4th August £4,494,000)
1915	£5,912,000
1916	£6,410,000
1917	£1,735,000
1918	£5,923,500
1919	£2,743,500
1920 (1 Jan. to 7 Apl.)	£35,000

New Imperial Silver Coin issued by the Royal Mint, London.

1913	£1,693,228
1914	£6,239,784
1915	£7,715,437
1916	£8,377,965
1917	£4,088,777
1918	£9,248,843
1919	£3,316,481
1920	£5,490,065
1921	£8,446,488

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Silver sent by Head Office to Branches - Half-Yearly Returns.

Half-year ended	31 July 1914	£527,400
	31 Jan. 1915	£2,741,400
	31 July 1915	£776,600
	31 Jan. 1916	£4,378,350
	31 July 1916	£1,481,700
	31 Jan. 1917	£1,948,500
	31 July 1917	£1,041,500
	31 Jan. 1918	£1,811,200
	31 July 1918	£2,318,800
	31 Jan. 1919	£2,542,700
	31 July 1919	£747,200
	31 Jan. 1920	£915,400
	31 July 1920	£404,100
	13 Dec. 1920	£38,200

Silver held by Banks in the United Kingdom (including Bank of England) at the end of June in each of the following years.

1914	£8,246,555
1915	£9,950,279
1916	£9,800,038
1917	£11,306,321
1918	£8,165,800
1919	£15,070,702
1920	£14,862,574
1921	£20,331,913

(including £3,000,000 held for Currency Note Redemption Account)

1922	£16,494,736

(including £300,000 out of £6,000,000 set aside for Currency Note Redemption Account)

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Import, Export, Sale and Melting Regulations. Controlled Price of Bullion.

When at the beginning of 1916 the Foreign Office suggested prohibiting the export of gold and silver, the Bank made no distinction between the two metals in resisting the proposal. In comparison with gold, however, silver was of course a matter of considerably less concern to the Bank, and with respect to the Regulations that were subsequently passed the Bank's advice and assistance do not appear to have been often sought.

Imports

The Regulations took the form of Proclamations dated 16th November and 5th December 1916, which forbade the import of manufactured silver other than silver watches and watch cases except under licence. This prohibition seems to have remained until the Spring of 1919.

Exports: Partial Prohibition

In January 1917 the Treasury asked the Bank if there was any objection to acceding to a request made by the Post Office that the limit of £5 imposed since 1901 on parcels containing silver might be raised to £15, this being about the maximum value of silver within the permissible weight (11 lbs.) that could be sent by post. The Bank objected on the grounds of the existing scarcity of the metal for Home and Indian

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demands, and their view was apparently shared by the Treasury.

The first Regulation of Export was imposed by a Proclamation dated 29th September 1917, which took effeot from the 8th October and which placed an embargo on exports of every kind to Norway, Sweden, Holland and Denmark except under licence of the War Trade Department.

It was arranged that licences should be given for (both gold and) silver after certifioation by the Bank of England that the export in question was in the national interests. The Bank were rather diffident in undertaking this duty in the case of silver, a metal in whioh they had no primary interest or experience. The applications were to be addressed to the Bank in the first instance, who were to stamp and sign them if approved and forward them to the War Trade Department; in practice, however, the applications sometimes came to the Bank first, sometimes not. At first the Bank refused to recommend silver exports, but by the end of 1917, owing apparently to the intervention of the Ministry of Blockade, it was decided that silver might be exempted from the general embargo, a decision of which the Bank approved provided that the supplies of silver in the market here were sufficient for the purposes of the Mint. It so happened, however, that this condition was never fulfilled and the numerous applications made to the Bank were consequently refused almost

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without exception.

In February 1918 the Bank refused to recommend a certain licence for the export of silver to Switzerland, and shortly afterwards the Ministry of Blockade asked the Bank whether it was necessary that licences should be granted before silver could be exported to foreign countries other than Scandinavia and Holland. The Bank did not answer this question except by expressing the general opinion that no export of silver should take place without a licence. On the 25th March 1918 Sir Brien Cokayne, the Deputy Governor, wrote to the Treasury on the subject of supplies for the Mint and again returned to the question of licences, stating that he understood "none was required for the export of silver to countries other than Scandinavia". He suggested the prohibition should be made a general one unless the export were certified to be in the national interests, and also proposed rationing the silversmiths' trade and purchasing of silver in Canada and Australia, to be coined by the Branch Mints in those countries.

Exports: General Prohibition 12/4/18.

On the 12th April 1918 an Order in Council prohibited "the exportation to all destinations of silver bullion, specie and coin and articles wholly or mainly manufactured of silver". The remaining

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recommendations made by the Bank were evidently not taken up.

Switzerland

A further Proclamation was issued on the 25th June 1918 prohibiting the export of a large number of articles to Switzerland, and the list included silver, here specified in the following forms: "silver, raw, bar, ingot, powder scrap, coin". This special embargo was removed by Proclamation dated 12th March 1919.

General Export Prohibition: Variations

On 29th November 1918 the general prohibition of export was removed in so far as manufactured goods were concerned by an Order in Council and on the 30th May 1919 a further Order in Council substituted "silver coin, British" for "silver bullion, specie and coin". On the 7th November this was changed by another Order to "silver bullion, specie and British coin". This was subsequently varied to "silver bullion, specie and coin", and again on the 26th November 1920 to "silver bullion and British silver coin".

The Gold and Silver Act of 1920 took power to prohibit the export of silver coin and silver bullion, but the Proclamation of February 1921 did not give effect to the Act so far as silver bullion was concerned.

The position at the end of August 1921 was accordingly that an export licence was only required for silver if it were in the form of coin.

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Sale of coin

The sale of silver coin for an amount exceeding its face value was made illegal by the D.O.R.A. Regulation of 18th May 1918.

Melting

The melting of silver coin was first prohibited by an Order in Council, dated the 29th October 1919, which added silver coin to the existing D.O.R.A. Regulation 30 E. All silver coin of the United Kingdom, of British Possessions or of foreign countries was covered. There did not, however, appear to be sufficient reason why this prohibition should have been made absolute and in January 1920 the Bank suggested that they might be given power to permit melting at their discretion. The Treasury thought it preferable to modify the Regulations so that exceptions could be made on Treasury licence, and an Order in Council, dated 9th February 1920, established this concession.

The Bank were usually consulted on each application, which was considered on its merits, but as a rule licences were granted except in the case of English and French coins. The position was confirmed by the Act of 1920, (section 2 paragraphs 1 and 2) but licences were more and more freely given as time went on.

Price of bullion

Between August 1918 and May 1919, the price of silver bullion was controlled by the British and American Governments. The following account of the reasons for this course has been furnished

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by Mr. Sydney-Turner of the Treasury -

"The United States Government were pledged "under the Pittman Acts to accept all offers of silver "produced in the United States at a price of 1 dollar "per one ounce 1,000 fine.

"In the Summer of 1918, not needing the "silver themselves, they were passing on all such offers "to His Majesty's Government who had pledged themselves "not to buy in the United States at a price exceeding "the Pittman Act price.

"A rise in the China Exchange was expected, "and it was feared that the China Banks by purchase in "markets still free might force up the price there above "the United States Government price. We therefore felt "it necessary to prevent at any rate the London price "rising above New York level and to guard against attempts "to buy silver over the United Kingdom at a price above "New York price.

"A general D.O.R.A. Regulation was made, giving "the Treasury power to fix a maximum price by Order from "time to time. It was first fixed at 48$\frac{13}{16}$d. the sterling "equivalent to a price of 1 dollar per one ounce 1,000 "fine in New York after allowance for freight, insurance, "etc. (By Order 9th August 1918, published Gazette of "13th August)

"By Order 20th August 1918 the price was raised "to 49$\frac{1}{2}$d. consequent on the United States Treasury having

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"fixed a maximum price of 101½ cents for export licences.

"By Order 13th November 1918 it was reduced to "48¾d. consequent on a reduction in the cost of insurance.

"By Order 13th December 1918 it was reduced to "48 7/16d. which had been the actual market price for some "days.

"By Order 20th February 1919 it was reduced to "47¾d. owing to a reduction in freight.

"By Order 25th March 1919 it was fixed (in view "of fluctuations in exchange) at the equivalent at the "current rate of exchange of 95 cents per standard ounce. "95 cents was approximately the equivalent at 4·76½ to "the then price of 47¾d. per ounce standard which was it-"self equivalent to 101½ cents per ounce 1,000 fine.

"On the 6th May 1919 the Federal Reserve Board "removed the maximum price and announced that licences "for the export of silver bullion and foreign silver coin "would be given freely, and an Order of 8th May revoked "the Order of 25th March 1919".

The Pittman Act of 23rd April 1918 authorised the sale of silver not exceeding 350 million silver dollars from the dollar reserve. Out of this, the equivalent of 270 million fine ounces, the share of India was 200 million fine ounces, which were imported into India before July of the following year.* The silver was required by India

*From "The Price of Silver", a memorandum prepared for the Brussels Financial Conference of 1920 by G.Findlay Shirras, Director of Statistics to the Government of India. This paper gives a full account of the factors influencing the price of silver from 1913 to July 1920.

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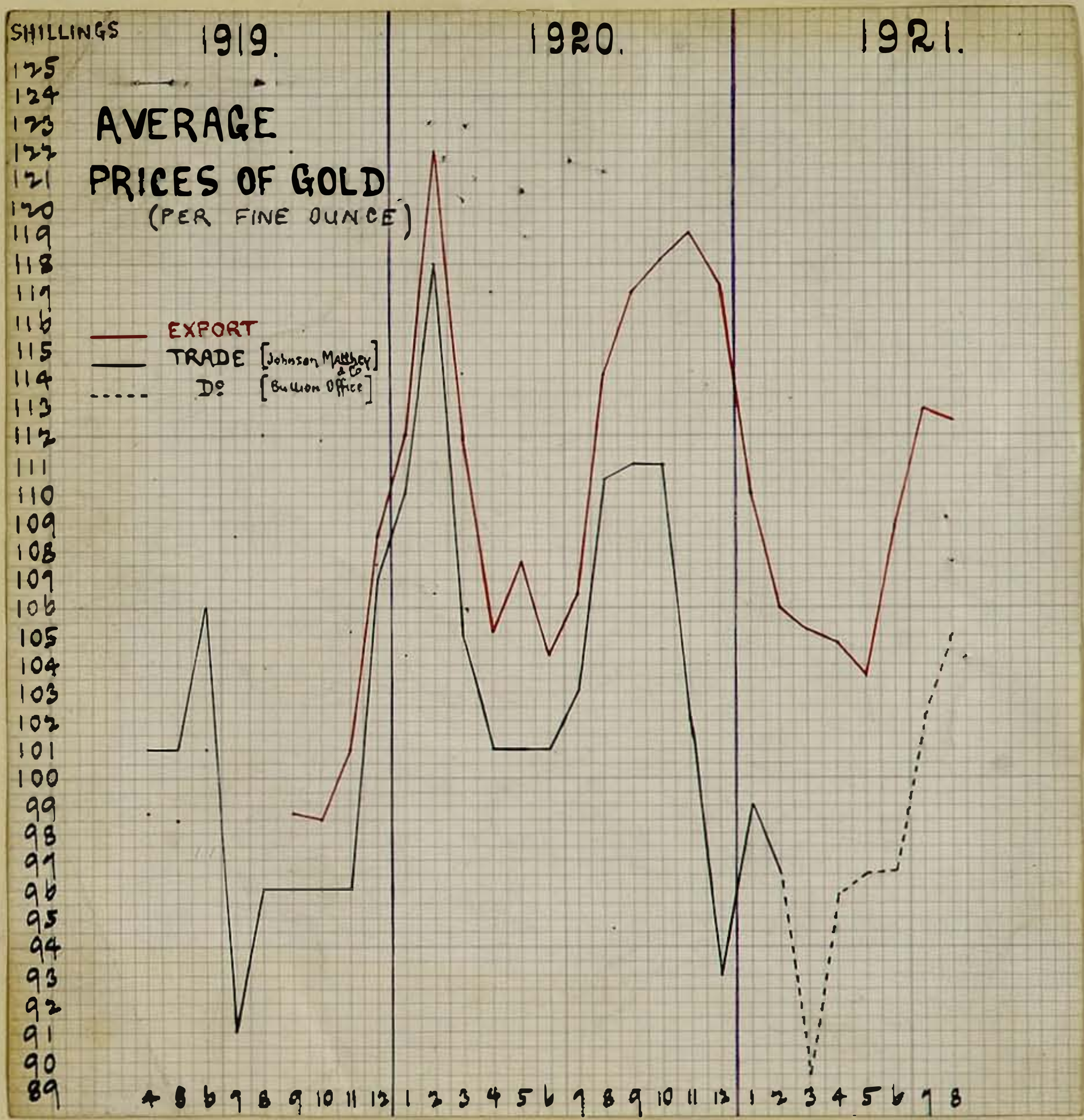
Maximum, Minimum and Average Price of Silver.				
	Highest quotation	Lowest quotation	Range of prices	Average price
1913	$29\frac{3}{8}$	$25\frac{15}{16}$	$3\frac{7}{16}$	$27\frac{9}{16}$
1914	$27\frac{3}{4}$	$22\frac{1}{8}$	$5\frac{5}{8}$	$25\frac{5}{16}$
1915	$27\frac{1}{4}$	$22\frac{5}{16}$	$4\frac{15}{16}$	$23\frac{11}{16}$
1916	$37\frac{1}{8}$	$26\frac{11}{16}$	$10\frac{7}{16}$	$31\frac{5}{16}$
1917	55	$35\frac{11}{16}$	$19\frac{5}{16}$	$40\frac{7}{8}$
1918	$49\frac{1}{2}$	$42\frac{1}{2}$	7	$47\frac{9}{16}$
1919	$79\frac{1}{8}$	$47\frac{3}{4}$	$31\frac{3}{8}$	$57\frac{1}{16}$
1920	$89\frac{1}{2}$	$38\frac{7}{8}$	$50\frac{5}{8}$	$61\frac{7}{16}$


SHILLINGS
1919.
1920.
1921.
AVERAGE
PRICES OF GOLD
(PER FINE OUNCE)
EXPORT
TRADE [Johnson Matthey & Co]
Do [Bullion Office]

TABULAR STATEMENT OF RESTRICTIONS ON EXPORT, IMPORT, MELTING, SALE, ETC., OF GOLD & SILVER, AUGUST 1914 - AUGUST 1921.

Date of Order, etc.	Export	Import	Melting	Sale
O.C.10.5.16	Export of Gold Leaf prohibited.			
4.7.16				Introduction of Permits of Board of Trade for sale of gold by Bank of England to Trade.
D.O.R.A. regulation 30 E 28.7.16			Current gold coin must not be melted.	
Proclamation 16.11.16		Manufactured gold and silver (except watches and watch cases) not to be imported except under Board of Trade licence.		
Proclamation 5.12.16		Gold manufactured or unmanufactured including gold coin and articles containing gold; all manufactured silver (except watches and watch cases) and all jewellery prohibited from being imported except under licence of Board of Trade or for delivery at or sale to Bank of England.		
D.O.R.A. regulation 30 E (A) 6.12.16			D.O.R.A. regulation 30 E of 28.7.16 amended to cover foreign coin.	

Date of Order, etc.	Export	Import	Melting	Sale
O.C.10.5.17	Export of gold paint to non-allied European countries and Russian Baltic Ports prohibited.			
Proclamation 29.9.17 (effective 8.10.17)	Manufactured gold and silver (and all other manufaotured articles) prohibited to be exported to Sweden, Norway, Denmark and Holland except under licence of War Trade Department. (But gold coin and bullion and silver would be allowed a licence if recommended by Bank of England.)			
O.C.12.4.18	Absolute prohibition of export of gold liquid and pigments containing gold, and of silver bullion, specie and coin: and articles wholly or mainly manufactured of silver.			
D.O.R.A. regulation 18.5.18 30 EE (2)				Sale of United Kingdom current coin above face value made an offence.
Proclamation 25.6.18	Prohibited export of silver to Switzerland.			
O.C.29.11.18*	Manufactured articles of silver allowed to be exported.			

*Further dates on which O.C. were issued varying the export of silver were:- 30.5.19, 7.11.19, 26.11.20, etc.

Date of Order, etc.	Export	Import	Melting	Sale
Board of Trade Order 18.12.18	Proclamation of 29.9.17 cancelled except as regards "solid articles of gold or silver and articles containing platinum".			
Proclamation 12.3.19	Cancelled Proclamation of 25.6.18 (see above).			
O.C.1.4.19	Export of gold coin and bullion prohibited. Gold leaf and liquid allowed to be exported.			
Board of Trade Notice Journal beginning of April 1919.		Import of gold bullion permitted.		
Board of Trade Notice Journal 24.4.19		Manufactured articles of gold, except jewellery and pen nibs, permitted. (After 16th June - 1st September jewellery and nibs were freely granted import licences.)		As a consequence: abolition of Board of Trade sale permits to Bank of England.
Board of Trade General licence 1.9.19		Permitted free importation of all articles.		
O.C.29.10.19			Silver coin must not be melted.	
O.C.9.2.20			Permission to melt gold or silver may be granted by Treasury licence.	

Date of Order, etc.	Export	Import	Melting	Sale
Board of Trade Scheme 14.10.20	Re-export of Jewellers Sweep and other by-product gold permitted by licence under certain conditions.			
Gold and Silver (Export Control) Act dated 23.12.20 took power to	Prohibit export of gold and silver coin and bullion except under Board of Trade licence, bullion to include partly manufactured goods and alloys thereof.		Prohibit melting of coin.	Prohibit sale of coin because gold and silver coin was not to be used "otherwise than as currency".
Proclamation 7.2.21 put Act of 23.12.20 into force	Except as regards silver bullion, export of which was not prohibited.			

N.B. Gold Thread — Board of Trade Order 9.7.18 — Gold thread not to be used except for uniforms or by licence.

Board of Trade Notice 14.3.19 Order of 9.7.18 cancelled.

Hoarding of silver was dealt with under D.O.R.A. 18.5.18 30 EE (1) (effective 27.5.18) which forbade anyone in the United Kingdom to hold more than a reasonable amount of silver coin.