



# THE ONTARIO NUMISMATIST

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## O.N.A. 1977 CONVENTION

The location of the 1977 O.N.A. Convention has just been finalized. I have just been informed by our first Vice-President, Bruce Watt, that arrangements are now final and the 1977 O.N.A. Convention will be held at the Holiday Inn in Oshawa on May 13th, 14th and 15th, 1977.

Plans for an excellent program are in progress. A few Bourse Tables have already been sold and the program will be published as soon as it becomes available. Enquiries should be mailed to P.O. Box 212, Oshawa, Ontario.

## AUCTION TENDERS INVITED

To all interested Auctioneers, professional and amateur, the Executive of the O.N.A. are inviting you to tender for the 1977 Convention Auction, which is to be held on May 14th and 15th in Oshawa, at the Holiday Inn. The Oshawa Coin Club will host this Convention.

The Auction will be one session, on Saturday May 14th from 1.00 P.M. until no later than 6.00 p.m. with a maximum of 600 lots. The deadline date for Bids is December 1st, 1976.

Submit Tenders to the O.N.A. Executive, Attention Mr. Elliott Jephson, Box 33, Waterloo, Ontario. N2J 3Z6. Please mark on the outside envelope AUCTION TENDER.

THE ONTARIO NUMISMATIST is published by the Ontario Numismatic Association. The publication can be obtained with membership in one of the following categories: Regular Membership \$5.00 annually, Husband and Wife (one journal) \$7.00 annually, Junior (up to 18) \$3.00 annually, Club Membership \$10.00 annually. Life Memberships available for \$50.00 after 3 years of regular membership. O.N.A. Silver Lapel Pins \$2.50 each.

Remittances payable to the Ontario Numismatic Association, P.O. Box 33, Waterloo, Ontario. N2J 3Z6.

Authorized second class mail by the Post Office Department, Ottawa, and for

UNITED STATES FRACTIONAL CURRENCY

( 1862 - 1876 )

Researched by Gertrude Scott and reprinted from the Sarnia Numismatic Society News, December 1975 Issue.

The general public is usually surprised to know that Americans used paper for such small amounts as 3¢, 5¢ and 10¢, and that it is still redeemable at full face value today.

In the fourteen years of issue about 369 million dollars of Fractional Currency was printed, yet very little exists today and the average person has never seen any of it. It is estimated that 1.8 million is now in existence.

Fractional Currency is a most important and vital part of Numismatics a bridge between the all metal "hard money" period before 1861 and the metal and paper money combination period after 1862. It is an interesting series to collect because it is the product of a period of history full of important events -- the years 1862 to 1876.

It Exemplifies the need for small change, the "Necessity" money born of the scarcity of hard money in these troubled times.

SOME HISTORY - On the Eve of the Civil War in 1861, trade and commerce seemed to be coming to a sudden stop; for almost overnight all the gold, silver and copper money in the United States had disappeared.

The prospect of a long struggle between the North and South caused the hoarding of coins. Large amounts of silver coins were sent to Canada, and a premium of from 10 to 12 percent was offered by businessmen for them. It was reported that one building in New York had so many copper coins stored in it that the floors collapsed.

Even the heavy discounting of the "wild cat" notes, and the State Bank notes then in circulation, failed to bring the coins out of their hiding places. Throughout the country it was a serious problem to make change. In fact, if a person had a five-dollar gold piece, he would probably have had to take change for a purchase in potatoes, corn or some other commodity.

Merchants' "tickets", metal tokens or anything having any apparent value were pressed into service to make change. Many firms and individual merchants issued their own notes of small value, generally less than one dollar, redeemable at their place of business. These were often called "shinplasters", a term said to have originated during the Revolutionary War when Continental Currency became almost worthless. (These bills were used in the absence of bandages to protect minor cuts and bruises on the shins. The name came into early use in the United States for notes without legal security.)

Private notes were practically worthless to most people because they could be redeemed only by the firm or person that issued them. They were prohibited by law on July 17, 1862, but were nevertheless issued as the need arose through 1863.

Postage stamps were next turned to as a form of relief from the severe dearth of small coins. Some firms put various amounts of stamps

in small envelopes and issued them as change. The stamps soon stuck to each other inside the envelopes and the envelopes themselves became torn, so this substitute for coins proved unsatisfactory. Stamps were also enclosed in brass holders with mica fronts. Since this was a relatively expensive undertaking, plus the fact that the mica front was easily cracked, the encased postage stamps did not see very wide circulation.

Out of this confusion was born one of the most interesting types of paper money - United States Fractional Currency.

These beautiful little bills, ranging in denominations from 3¢ to 50¢, played their part to help carry on commerce during and after the Civil War.

The first of the five issues was known as "Postage Currency", and was issued in 1862 and 1863. The next four issues, 1863 to 1876, were called "Fractional Currency."

First General Issue - Denominations : 5¢, 10¢, 25¢, 50¢, and this issue was called Postage Currency.

The country was really hard put to carry on even the simplest commercial activities by early 1861. On July 14 of that year, Secretary of the Treasury, Salmon P. Chase, finally got around to suggesting two alternative proposals to Congress. The first outlined a plan for the reduction in size of silver coins, and the second asked for authority to issue and use ordinary postage stamps as circulatory change. Incredibly enough, Chase himself favoured the proposal that would legalize the circulation of small squares of gummed paper as a national medium of exchange.

Congress adopted the postage stamp idea, and it actually became law when President Lincoln signed it on July 17, 1862.

The immediate effect of the law was a run on stamps at the post offices but almost immediately after they were in circulation they became a crumpled, sticky mess.

A special issue of ordinary stamps was agreed upon by Boutwell and Blair to be distributed by the Treasury. This was in accordance with the law of July 17. Just before their manufacture, it was happily decided to issue them in sizes more convenient to handle than the diminutive postage stamps, and the backs were to be left ungummed. Thus they ceased to be stamps altogether, for in this form they were no less than fractional Federal Promissory Notes. They bore the authorization date of July 17, 1862 but this was not true. That law referred only to stamps and not to notes; therefore, these small notes were made and issued without any legal authorization whatsoever! (It was not until the law of March 3, 1863 which provided for the government to print fractional notes that the Postage Currency already in use was legally recognized and sanctioned.

The National Currency Bureau was a new department of the government when the first issue appeared on August 21, 1862. There are no

signatures and no Treasury Seals on the First Issue. A few sheets made for the government were stamped "Treasury Dept." on the upper right hand corner of the obverse.

Second General Issue : Denominations - 5¢, 10¢, 25¢, 50¢.  
The Second Issue was authorized by Congress on March 3, 1863 and the name was officially changed to "Fractional Currency". The many counterfeits that had so quickly appeared dictated changes in the design, size and paper. In line with the suggestion made by Mr. S. M. Clark, Superintendent of the National Currency Bureau, all notes of this issue have the same design, the head of Washington in a bronze oval frame, and each denomination has a different colour on the reverse. This bronze overprint sometimes turns green with age making the notes less valuable than bright ones. This issue was printed in sheets of twenty notes. There are no signatures on notes of the Second Issue.

Third General Issue - Denominations : 3¢, 5¢, 10¢, 25¢, 50¢.  
The Third Issue includes the first three-cent notes. The designs of this issue are different for each denomination. They are more intricate than the first two issues. The five-cent notes and higher denominations have the signatures of the Register and the Treasurer, and also have sheet position check letters and numbers. Those with green reverses have printed signatures but the red reverse notes of ten, fifteen and fifty cents have both printed and autographed signatures. This is one of the rare instances of autographed signatures appearing on United States regular issue notes.

Though the larger U.S. notes carried some form of signature from their inception in 1861, it was not until the Third Issue of Fractional Currency that signatures were placed on the smaller notes.

Fourth General Issue - Denominations : 10¢, 15¢, 25¢, 50¢.  
Each of the notes of this issue is of a different design. The United States Treasury Seal was added to the obverses for the first time. A new improved type of bank note paper containing silk fibres was used.

Some notes were issued without the seal, through error. Some notes of this issue come with a bright pink colour over the entire obverse.

Fifth General Issue - Denominations : 10¢, 25¢, 50¢.

The Fifth and last General Issue was the simplest. Appropriations to print more were about exhausted, and an Act of Congress April 17, 1876 called for the issuance of fractional silver coins to redeem Fractional Currency.

The few varieties include the green seal ten cents, and the "long key" and "short key" ten and twenty-five cent notes.

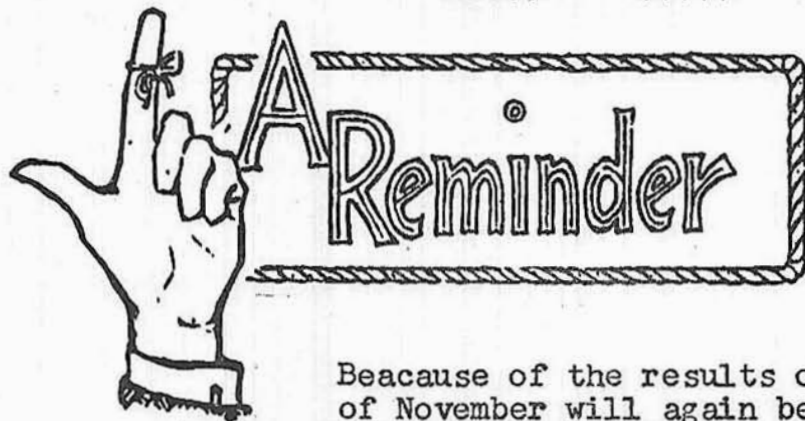
The retirement of Fractional Currency has been carried on since 1876. It is estimated that less than one-half of one percent of the total amount issued of all series is outstanding.

# Membership

## New Members

The applications published in the October 1976 issue of the Ontario Numismatist have now been accepted.

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## A Repeat Offer

The Month of November is

MEMBERSHIP DEVELOPMENT MONTH

Will you help

Beacause of the results obtained last year, the Month of November will again be proclaimed as MEMBERSHIP DEVELOPMENT MONTH

To keep Numismatics progressing, and the No. 1 Hobby, let us once again extend the hand of opportunity to someone else who likes to collect coins. Before the end of December, I hope that every member of the O.N.A. will seriously consider asking a friend to join the O.N.A., as it is only through our individual efforts that numismatics in general, and our own Clubs in particular, can progress. As a Bonus all new members will receive membership for 14 months, to Dec. 31/77.

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# CHEER UP!

She : "After were married I'll share all your troubles and sorrows"

He : "But I have no troubles and sorrows"

She : "Well, after we're married you will have".

Nurse, talking to patient on the telephone :  
"Yes, the doctor will consider a house call.  
What time can you be at his house ?"

A veterinarian quit his practice and successfully ran for member of parliament. One day in the middle of a heated debate, his opponent asked with a sneer : "Is it true that you're an animal doctor?" "Indeed it is," replied the veterinarian. "Are you ill?"

A rookie policeman was asked in an examination what he would do to break up a crowd. His answer indicated a deep knowledge of human nature. He wrote, "Id take up a collection."

An old timer is one who remembers when a dish washer had to be married - not bought.

What the country really needs is a credit card that will fit in a vending machine.

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PROPOSED COIN SHOWS

The following are the Annual Coin Shows proposed for the next few months, that we have received notices for, or taken from Club Bulletins. We advise you to check this list as you debate the date of your own Club's Show, to ensure that your date does not conflict with any other Coin Show.

Nov. 11, 12, 13, 14. Torex '76 to be held at the Westbury Hotel, 475 Yonge St., Toronto, Ontario. For enquiries write Torex, 347 Bay St., Suite 1000, Toronto, Ontario. M5H 2R7.

Nov. 14 - Niagara Falls Display Day - Bourse Dealers - Auction. From 12 noon to 6.00 p.m. to be held at the Stamford Lions Hall, Stamford Centre, Niagara Falls, Ontario.

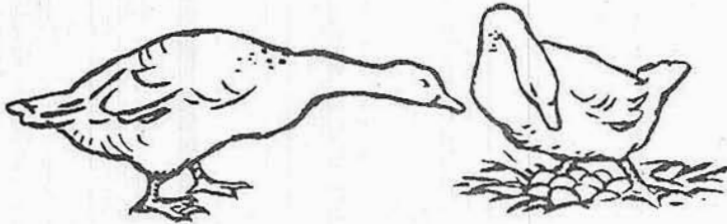
Nov. 20 - A conference on Ancient Numismatics sponsored by the Department of Classics, McMaster University, in cooperation with the Ancient Coin Society will be held at McMaster University Hamilton, Ontario, Togo Salmon Hall, Basement Room b 105, from 9.30 a.m. to 5.00 p.m. A registration fee of \$1. and a reservation fee for the luncheon of \$4. are payable to Mr. A.G. McKay and are requested by Wednesday, November 10th, 1976. Send cheque to The Secretary, Department of Classics, McMaster University, Hamilton, Ontario.

May 13-14-15, 1977. The Ontario Numismatic Association Convention for 1977 will be held at the Holiday Inn in Oshawa. People interested in submitting tenders for the Auction should submit them no later than December 1st, 1976, to The O.N.A. Executive, % Mr. Elliott Jephson, Box 33 Waterloo, Ont. N2J 3Z6. All other enquiries re Bourse etc., should be sent to Oshawa Coin Club, P.O. Box 212, Oshawa, Ontario. More details will be available in our next bulletin.

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Did you Know that.... The ten-cent piece still has the greatest velocity of circulation of any Canadian Coin. In Victorian times, so many things could be bought for ten cents that ten-cent pieces were paid out again as quickly as they were received. Today they still are, though many small things and services cost twenty cents or more.

...that because of the lack of press and radio, Roman rulers advertised their likenesses on coins to advertise their achievements and intentions. The results were startling, varied and often beautiful. This was the only way some people in those days ever saw even a likeness of their ruler.



## LOOKING *for* SOMETHING NEW?

Reprinted from  
the

Upper Canada Token  
and Medal Society  
Gazette

October 1976 Issue

NUMISMATICALLY SPEAKING : In a recent letter from a reader of the Gazette, the writer asks a very simple question, however the answer to it is not quite so easy. The question was, "how do I become a Token Collector?"

Thousands of answers are possible and they could all be correct but still not even begin to be the total answer. The question can best be answered in the words of an old gentleman I met one night long ago at a coin club meeting.

"On the day I retired from the office, I was walking home contemplating what to do besides going fishing and taking care of my prized flowers or making a nuisance of myself around the house. I realized if I wanted to live long and happy, I would have to keep busy both mentally and physically. As I neared my home, I saw for the first time a coin shop and stopped to gaze at the display in the window. My attention was attracted to an odd shaped metallic object and decided to find out what it was. Inside the store the man behind the counter reached in and brought out the object and it turned out to be a watch fob, the kind men wore long ago on the end of their watches. It was the train on the front of the fob that held my attention for it was one of those old steam types that use to come charging into our local station. On the back of the fob were the words, Grand Trunk Railway. The die for my future was cast. The train held me spellbound.

I asked the owner of the coin shop if he had anything else with trains on them and he showed me a small assortment of coins, tokens and medals all with different locomotives on them. With my prize in my pocket I hurried home so that I could show them to my wife.

Since that day I have been looking over and looking for metallic objects with trains on them for the past 12 years and am I having a ball. My wife is having as much fun as I am for she buys me all the books she finds that is written on trains to help me with my identification."

It is impossible to tell anyone what to collect or how to collect. But by showing them enough material it is possible that something will arouse that person's attention enough to want him to take the first step. Once he takes the first step he is on his way to becoming a collector and somewhere along the way, even without knowing how or why, he will begin to specialize. At this time he will no longer be a collector but a numismatist and he will take his place along with the giants of the hobby.

# MOMENTS RECALLED

NOT THE BILL IT USE TO BE : A minor milestone in the history of the United States was the reissuance this year of the \$2 bill, something not printed south of the border for nearly ten years. Rather than being an inflationary move (the penchant of governments to keep churning out new money) this one is designed to save money, since it is intended to replace several million \$1 bills that will thereby not have to be printed.

Although the last previous batch of U.S. \$2 bills came off the press in August, 1966, such bills had been pretty well shunned by the American public for many long years before that. It is highly likely that many Canadians do not ever remember seeing one.

Whether our neighbours will come to accept the new bills as Canadians do their \$2 bills remains to be seen. A cautionary word issued to accompany the new printing states: "The bills may be a novelty at first, but as time goes on, they may be confused with other denominations similar in appearance."

There seems to be a slight admittance of a lack of planning or designing in those few words, but it is safe to say that Americans will notice one big difference between the new \$2 bill and its unloved predecessors. That will happen when they go shopping.

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Numismatic Jottings by Bill Gage - Reprinted from the Orillia Champlain Coin Club Bulletin, November, 1976 Issue.

Baseball, Football and Hockey Clubs sometimes makes trades that come back to haunt them. Britain made a trade October 18, 1748, that proved to be very costly. Under the Treaty of Aix-La-Chapelle, Britain and France agreed to return to each other territory taken during the war that began in 1744. This meant that Britain gave Louisbourg, Cape Breton, back to France in exchange for Madras, India.

Madras was a city of perhaps four million people while the population of Louisbourg was about four thousand, but it was a bad trade because Britain had to send a huge force across the Atlantic to recapture Louisbourg in 1758. The powerful French fortress had to be destroyed before Britain could send troops up the St. Lawrence to attack Quebec and capture Canada.

The trade also annoyed the American colonists who were still British subjects. The Americans had provided the land force when Louisbourg was captured from the French in 1745. Their money and men had been wasted. It was the Americans most of all who wanted to get rid of the French menace in what is now Canada.

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SMILE:

The thunder god went for a ride on his favourite horse. "I'm Thor," he cried. The horse replied, "You forgot your thaddle, thilly!"

NOTES OF THE DOMINION OF CANADA : 25¢ Fractional Currency (Shinplasters)

Many attribute the expression "shinplaster" to the use of fractional value U.S. bills by soldiers of the Revolutionary War period as a lining to prevent their shoes from chafing. Regardless of the origin of the term, in Canada it refers to the series of 25¢ Dominion of Canada notes first issued in 1870.



The issue of 1870 appears to have been in the nature of an emergency issue. Both the silver coinage at that time circulating in Canada, in default of any adequate supply of regnal coins. Their worry arose from the fact that the U.S. dollar was at the time worth just eighty cents in Canada, with the result that those trusting individuals who had accepted U.S. silver at face found, when they came to bank it, that they were faced with a 20% loss. The government therefore decided to take steps to call in the U.S. silver and to replace it by an issue of Canadian coins. As some time was bound to elapse before these coins would be available, and as it was desired to withdraw the U.S. coins without further delay, it was decided to meet the inevitable shortage of small change that was bound to ensue by issuing the twenty-five cent notes. It seems clear that the issue was never intended to be more than temporary in nature, but evidently the small notes were found useful in many ways and, so far from their being systematically withdrawn, the government was compelled to make further issues in 1900 and 1923.



More than 5 million of these notes were in circulation in 1929, but since then the number has steadily declined. In 1935 the Bank of Canada decided to recall all "shinplasters" from circulation, and as a result, these interesting souvenirs of bygone days are now seldom seen. Some are in the hands of Numismatists, others are treasured family keepsakes. The 25¢ notes were frequently given to children as souvenirs. They were used to a great extent by godparents, especially in the Province of Quebec, as gifts to their godchildren. In the days when facilities for sending small amounts by mail were not as efficient as they are today, they were frequently enclosed in letters.

Editors Note : Did you find the above story interesting? Would you like more of the same? There are many hundreds more where this one came from....and they are all available to you....if you like to read...Can you guess where the above story came from.... It came from page I39 of the 1977 Standard Catalogue of Canadian Coins, Tokens and Paper Money by J.E. Charlton. My thanks to the editors of this catalogue.... and the above was written here to illustrate the fact to many of you, that you do not read what is available to to one and all.

Little Heart Seas,  
Newfoundland.

Letter to The Editor:

Dear Bull. Ed.

I am sick and tired of you telling us those newfy jokes. They're sick! I am proud of the tradition of this great land and the pretty solid grounding we have here - mostly rock! I'll have you know that we were the first part to be discovered in this country, and it's just too bad that you westerners were ever able to cross the mote which surrounds us. It has been said around here that a chip on the shoulder indicates SMALLWOOD above. Well, we've got chips on our shoulders, and toothaches, as well, since we were made to join the UPPERS and LOWERS of Canada! When Joey made that big deal with the rest of Canada, we thought we were going places, not just being taken.

With things happening in our country as they are now, what we need more than ever is a new declaration of interdependence. And this is where NUMISMATICS INTERNATIONAL comes in. It's about all we can do to recognize that new flag, let alone the silliness of having those 2 tracks running all across the continent. Why, my friend Doug went hunting there one time, and while following one of the tracks he was killed by a train.



Yours in Numismatics,  
Joey Knuff.

Dear Joey Knuff:

I note that you are from Little Heart Seas. I am sure that Little Heart Seas is a great little port in any old storm.

I went ice fishing there one time and came home with two tons of ice. My wife made me return my ski-doo suit when I returned, as well, because it didn't fit the ski-doo.

Please, no offense was meant in any of the Newfy jokes. In fact, we're proud to have Newfoundland as part of our great country. We in the west think that the sun rises on you.

Keep smiling,  
Just Plain Bull. Ed.

This is what happens when we receive no mail and hardly any bulletins at all.... we have no news to report.... Is it because postage has gone up or is it that we were just forgotten this month. We only received 7 bulletins this month and no letters at all, so we have to make up stories, so try a little harder to make your editor happy for Christmas. Keep smiling. Ye Ed.