

C O N T E N T S.

1. Final Report of the Royal Commission on Recent Changes in the Relative Values of the Precious Metals, 1888, with Minutes of Evidence and Appendixes. (Chairman: Louis Mallet). 1888. (C.5512). pp.157. X61;1:74.3.M9t B8
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GOLD AND SILVER COMMISSION.

FINAL REPORT

OF THE

ROYAL COMMISSION

APPOINTED TO INQUIRE INTO THE

RECENT CHANGES IN THE RELATIVE VALUES  
OF THE PRECIOUS METALS;

WITH MINUTES OF EVIDENCE AND APPENDIXES.

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Presented to both Houses of Parliament by Command of Her Majesty.

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# ROYAL COMMISSIONS.

## I.

### VICTORIA R.

Victoria, by the Grace of God of the United Kingdom of Great Britain and Ireland Queen, Defender of the Faith.

To Our right trusty and well-beloved Councillor Arthur James Balfour, Our Secretary for Scotland; Our right trusty and well-beloved Councillor Joseph Chamberlain; Our trusty and well-beloved Charles William Fremantle, Esquire, Companion of Our Most Honourable Order of the Bath (commonly called the Honourable Charles William Fremantle); Our trusty and well-beloved Sir John Lubbock, Baronet; Our trusty and well-beloved Sir Thomas Henry Farrer, Baronet; Our trusty and well-beloved James Richard Bullen Smith, Esquire, Companion of Our Most Exalted Order of the Star of India; Our trusty and well-beloved David Miller Barbour, Esquire; Our trusty and well-beloved John William Birch, Esquire; Our trusty and well-beloved Lionel Louis Cohen, Esquire; Our trusty and well-beloved Leonard Henry Courtney, Esquire; and Our trusty and well-beloved William Henry Houldsworth, Esquire, greeting.

Whereas it has been represented unto Us that it is expedient that a Commission should forthwith issue to inquire into the recent changes in the relative values of the precious metals shown by the decrease in the gold price of silver.

Now know ye, that We, reposing great trust and confidence in your knowledge and ability, do by these Presents authorise and appoint you the said Arthur James Balfour; Joseph Chamberlain; Charles William Fremantle (commonly called the Honourable Charles William Fremantle); Sir John Lubbock; Sir Thomas Henry Farrer; James Richard Bullen Smith; David Miller Barbour; John William Birch; Lionel Louis Cohen; Leonard Henry Courtney; and William Henry Houldsworth to be Our Commissioners for the purposes of the said inquiry.

And We do hereby enjoin you, or any five or more of you, to investigate the causes of the said recent changes in the relative values of the precious metals, and especially to inquire whether the said changes are due—

- (1.) To the depreciation of silver; or
- (2.) To the appreciation of gold; or
- (3.) To both these causes.

If you should find the said changes to be due to the depreciation of silver, you will then inquire whether such depreciation arises from increase of supply or diminution of demand, or from both, and you will endeavour to ascertain the proportions in which these different causes have operated.

If you should find the changes to be due to the appreciation of gold, you will inquire whether the appreciation arises from the diminution of supply or from increase of demand, or from both, and you will endeavour to ascertain the proportions in which these different causes have operated.

Having regard to these different causes and their respective effects, you will next inquire what has been the bearing of the changes in the value of the precious metals on the following matters of practical business:—

#### I. India:

- (a.) Upon the remittances of the Government of India:
  - (1.) For payments on old or fixed contracts.
  - (2.) For payments on new or current contracts.
- (b.) Upon the persons in India who have to make remittances home in gold.
- (c.) Upon the producers, merchants, and taxpayers of India.
- (d.) Upon merchants and manufacturers at home who trade with India.

**II. *The United Kingdom :***

- (a.) Upon the trade of the United Kingdom with other silver-using countries.
- (b.) Upon the foreign trade of the United Kingdom generally.
- (c.) Upon the internal trade and industry of the United Kingdom.

If you should come to the conclusion that the aforesaid changes in the values of the precious metals are causing permanent or important evils or inconveniences to any of the interests above referred to, it will be your duty then to inquire whether it is possible to suggest any remedies within the power of the Legislature or the Government, by itself or in concert with other Powers, which would be effectual in removing or palliating the evils or inconveniences thus caused without injustice to other interests, and without causing other evils or inconveniences equally great.

Lastly, if you are of opinion that this is possible, you will state the precise form which such remedies should take, and the manner in which they should be applied.

And for the better effecting the purposes of this Our Commission, We do by these Presents give and grant unto you, or any five or more of you, full power to call before you such persons as you shall judge likely to afford you any information upon the subject of this Our Commission; and also to call for, have access to, and examine all such books, documents, registers, and records as may afford you the fullest information, on the subject; and to inquire of and concerning the premises by all other lawful ways and means whatsoever.

And We do further by these Presents authorise and empower you, or any five or more of you, to visit and personally inspect such places in Our United Kingdom as you may deem expedient for the more effectual carrying out of the purposes aforesaid.

And We do by these Presents will and ordain that this Our Commission shall continue in full force and virtue, and that you, Our said Commissioners, or any five or more of you, may from time to time proceed in the execution thereof, and of every matter and thing therein contained, although the same be not continued from time to time by adjournment.

And We do further ordain that you, or any five or more of you, have liberty to report your proceedings under this Our Commission from time to time, if you shall judge it expedient so to do.

And Our further will and pleasure is that you do, with as little delay as possible, report to Us, under your hands and seals, or under the hands and seals of any five or more of you, your opinion upon the several matters herein submitted for your consideration.

And for the purpose of aiding you in such matters, We hereby appoint Our trusty and well-beloved George Herbert Murray, Esquire, to be Secretary to this Our Commission.

Given at Our Court at St. James's, the Twentieth day of September one thousand eight hundred and eighty-six, in the Fiftieth year of Our Reign.

By Her Majesty's Command.

HENRY MATTHEWS.

## II.

## VICTORIA R.

Victoria, by the Grace of God of the United Kingdom of Great Britain and Ireland Queen, Defender of the Faith.

To Our right trusty and well-beloved Councillor Farrer, Baron Herschell; Our right trusty and well-beloved Councillor Joseph Chamberlain; Our right trusty and well-beloved Councillor Sir Louis Mallet, Knight, Companion of Our Most Honourable Order of the Bath; Our right trusty and well-beloved Councillor Arthur James Balfour; Our right trusty and well-beloved Councillor Henry Chaplin; Our trusty and well-beloved Charles William Fremantle, Esquire (commonly called the Honourable Charles William Fremantle), Companion of Our Most Honourable Order of the Bath; Our trusty and well-beloved Sir John Lubbock, Baronet; Our trusty and well-beloved Sir Thomas Henry Farrer, Baronet; Our trusty and well-beloved David Miller Barbour, Esquire, Companion of Our Most Exalted Order of the Star of India; Our trusty and well-beloved John William Birch, Esquire; Our trusty and well-beloved Lionel Louis Cohen, Esquire; Our trusty and well-beloved Leonard Henry Courtney, Esquire; and Our trusty and well-beloved William Henry Houldsworth, Esquire, greeting.

Whereas We did, by Warrant under Our Royal Sign Manual, bearing date the twentieth day of September one thousand eight hundred and eighty-six, authorise and appoint Our right trusty and well-beloved Councillor Arthur James Balfour, Our then Secretary for Scotland, together with the several gentlemen therein mentioned, or any five or more of them, to be Our Commissioners to inquire into the recent changes in the relative values of the precious metals shown by the decrease in the gold price of silver.

Now know ye, that We have revoked and determined, and do by these presents revoke and determine, the said Warrant, and every matter and thing therein contained.

And whereas We have deemed it expedient that a new Commission should issue for the purposes specified in such Warrant of the twentieth day of September one thousand eight hundred and eighty-six.

Further know ye, that We, reposing great trust and confidence in your ability and discretion, have appointed, and do by these Presents nominate, constitute, and appoint, you the said Farrer, Baron Herschell; Joseph Chamberlain; Sir Louis Mallet; Arthur James Balfour; Henry Chaplin; Charles William Fremantle (commonly called the Honourable Charles William Fremantle); Sir John Lubbock; Sir Thomas Henry Farrer; David Miller Barbour; John William Birch; Lionel Louis Cohen; Leonard Henry Courtney; and William Henry Houldsworth to be Our Commissioners for the purposes of the said inquiry.

And We do hereby enjoin you, or any five or more of you, to investigate the causes of the said recent changes in the relative values of the precious metals, and especially to inquire whether the said changes are due—

- (1.) To the depreciation of silver; or
- (2.) To the appreciation of gold; or
- (3.) To both these causes.

If you should find the said changes to be due to the depreciation of silver, you will then inquire whether such depreciation arises from increase of supply or diminution of demand, or from both, and you will endeavour to ascertain the proportions in which these different causes have operated.

If you should find the changes to be due to the appreciation of gold, you will inquire whether the appreciation arises from the diminution of supply or from increase of demand, or from both, and you will endeavour to ascertain the proportions in which these different causes have operated.

Having regard to these different causes and their respective effects, you will next inquire what has been the bearing of the changes in the value of the precious metals on the following matters of practical business :—

I. *India :*

- (a.) Upon the remittances of the Government of India :
  - (1.) For payments on old or fixed contracts.
  - (2.) For payments on new or current contracts.
- (b.) Upon the persons in India who have to make remittances home in gold.
- (c.) Upon the producers, merchants, and taxpayers of India.
- (d.) Upon merchants and manufacturers at home who trade with India.

II. *The United Kingdom :*

- (a.) Upon the trade of the United Kingdom with other silver-using countries.
- (b.) Upon the foreign trade of the United Kingdom generally.
- (c.) Upon the internal trade and industry of the United Kingdom.

If you should come to the conclusion that the aforesaid changes in the values of the precious metals are causing permanent or important evils or inconveniences to any of the interests above referred to, it will be your duty then to inquire whether it is possible to suggest any remedies within the power of the Legislature or the Government, by itself or in concert with other Powers, which would be effectual in removing or palliating the evils or inconveniences thus caused without injustice to other interests, and without causing other evils or inconveniences equally great.

Lastly, if you are of opinion that this is possible, you will state the precise form which such remedies should take, and the manner in which they should be applied.

And for the better effecting the purposes of this Our Commission We do by these presents give and grant unto you, or any five or more of you, full power to call before you such persons as you shall judge likely to afford you any information upon the subject of this Our Commission ; and also to call for, have access to, and examine all such books, documents, registers, and records as may afford you the fullest information on the subject ; and to inquire of and concerning the premises by all other lawful ways and means whatsoever.

And We do further by these Presents authorise and empower you, or any five or more of you, to visit and personally inspect such places in our United Kingdom as you may deem expedient for the more effectual carrying out of the purposes aforesaid.

And We do by these Presents will and ordain that this Our Commission shall continue in full force and virtue, and that you, Our said Commissioners, or any five or more of you, may, from time to time, proceed in the execution thereof, and of every matter and thing therein contained, although the same be not continued from time to time by adjournment.

And We do further ordain that you, or any five or more of you, have liberty to report your proceedings under this Our Commission from time to time, if you shall judge it expedient so to do.

And Our further will and pleasure is that you do, with as little delay as possible, report to Us, under your hands and seals, or under the hands and seals of any five or more of you, your opinion upon the several matters herein submitted for your consideration.

And for the purpose of aiding you in such matters, We hereby appoint Our trusty and well-beloved George Herbert Murray, Esquire, to be Secretary to this Our Commission.

Given at Our Court at St. James's, the Sixth day of May one thousand eight hundred and eighty-seven, in the Fiftieth year of Our Reign.

By Her Majesty's Command.

HENRY MATTHEWS.

## III.

VICTORIA R.

Victoria, by the Grace of God of the United Kingdom of Great Britain and Ireland Queen, Defender of the Faith.

To Our trusty and well-beloved Samuel Montagu, Esquire, greeting :

Whereas We did, by Warrant under Our Royal Sign Manual, bearing date the sixth day of May one thousand eight hundred and eighty-seven, appoint Our right trusty and well-beloved Councillor, Farrer, Baron Herschell, together with the several gentlemen therein mentioned, or any five or more of them, to be Our Commissioners to inquire into the recent changes in the relative values of the precious metals shown by the decrease in the gold price of silver.

And whereas one of Our Commissioners, so appointed, namely, Lionel Louis Cohen, Esquire, has since deceased.

Now know ye, that We, reposing great confidence in you, do by these Presents appoint you, the said Samuel Montagu, to be one of Our Commissioners for the purpose aforesaid, in the room of the said Lionel Louis Cohen, deceased, in addition to and together with the other Commissioners whom We have already appointed.

Given at Our Court at St. James's, the Twenty-sixth day of July one thousand eight hundred and eighty-seven, in the Fifty-first year of Our Reign.

By Her Majesty's Command.

HENRY MATTHEWS.

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NOTE.—The Right Hon. Joseph Chamberlain resigned in September 1887.

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# GOLD AND SILVER COMMISSION.

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