

ONE AND TWO DOLLAR COINS

The Reserve Bank announced on 14 August that gold coloured one and two dollar coins would be introduced in November 1990. The present target date for release is 5 November but the release date may be delayed slightly depending on when the coins are received from the mint.

The introduction of one and two dollar coins is the end result of a policy decision taken in August 1988.

- International trends for some years have been towards the introduction of coins to replace lower denomination notes which change hands frequently, and wear out quickly. The costs of production of the notes are relatively high in view of their short lifespan of approximately 6 months. A coin, by comparison can be expected to last for a considerable period, often in excess of twenty years. This more than offsets the higher initial production cost.

A number of considerations were raised in the early planning stages. As the highest value coin denominations it was necessary to ensure that the coins were of substance; not necessarily large, but distinctive in their own right. They should not clash with existing coins in terms of appearance, feel or size. Discussions were held with a number of interested parties prior to the coins' dimensions being finalised, including representatives of the blind and the elderly as well as members of the banking, retail and vending machine industries.

Design suggestions were received from invited local artists and from the three major Commonwealth mints (Australia, Canada and the United Kingdom). The reverse designs were subject to substantial discussion and the designs finally selected, which continue our tradition of using the 'bird theme' on currency denominations of \$1 or more, were drawn by Maurice Conly, M.B.E., of Waikanae. Mr Conly's designs have been used extensively in the past, especially in the area of collectors' coins. It was decided that the Raphael Maklouf portrait of HM the Queen currently used on the obverse of existing coins would also be used for the new coins.

The one dollar coin features a Kiwi against a background of native ferns. The Bank considers that it is fitting and appropriate that the Kiwi be promoted from its position on the twenty cent coin to bring to reality the well known term 'Kiwi dollar'. This colloquialism was originally developed in the financial markets but now enjoys wide public use.

The Kotuku (white heron) was selected for the two dollar coin. This bird was chosen as the official logo of the 1990 Commission and the Bank considers it is appropriate in the year the new \$1 and \$2 coins are introduced, that we recognise the importance and significance of the 1990 celebrations. The Kotuku is considered symbolic because like the people of New Zealand, the Kotuku came to these islands from another place, and adapted to its new environment. The Kotuku is one of New Zealand's rarest birds and is held in particularly high regard in Maori mythology.

As the Kiwi has been promoted to the one dollar coin, it has been necessary to find a new design for the twenty cent coin. It was decided that the image from a well known Maori carving (taken from the gateway of a pa that stood at Te Ngae on Lake Rotorua in the early nineteenth century) would be an appropriate design. The carving belongs to the Arawa people who have given their blessing to the use of the image.

The new one and two dollar coins will be gold coloured and struck in an aluminium-bronze alloy similar to that used by the Australians for their one and two dollar coins.

The coins have the following specifications:

	\$1	\$2
Diameter	23mm	26.5mm
Weight	8.0gms	10.0gms
Edge Thickness	approx 2.7mm	approx 2.7mm

The Reserve Bank will cease issuing one and two dollar notes following the introduction of the coins. The notes will remain legal tender but will gradually be phased out as they are returned to the Bank through normal banking channels.

Designs for the new coins are shown below.

