

Section 115 (Australian Constitution 1900)

Exact Text — Section 115 (Australian Constitution 1900)

“A State shall not coin money, nor make anything but gold and silver coin a legal tender in payment of debts.”

LAYMAN’S VERSION — Section 115

Section 115 is the Founding Fathers basically saying:

 **“States can’t print their own money,

and they can’t declare anything as legal tender unless it’s gold or silver coin.”**

Why?

Because without this rule, every state would be running around printing their own dollars, IOUs, tokens, or whatever they dreamed up — and the whole country’s economy would fall apart overnight.

 What it really means today:

- Only the **Commonwealth** (the Federal Government) controls currency.
- States like QLD, NSW, VIC etc. **cannot** issue their own money.
- They also **cannot** declare something random — like paper notes, digital credits, or their own tokens — as “legal tender.”
- The Constitution only recognises **gold and silver coin** as the standard for legal tender at the State level.

It’s the old-school safeguard that kept Australia from fragmenting into six separate money systems like the Wild West.

LAYMAN SUMMARY:

Section 115 stops every state premier from acting like their own Reserve Bank. Only the Commonwealth handles currency, and the States can’t make anything “legal tender” except gold and silver coin.

Simple. Solid. Foolproof.