

CBTT considers pulling five-cent coin



Two sides of a T&T five-cent coin

The Central Bank of T&T (CBTT) has addressed speculation regarding the future of the five-cent coin, clarifying that while the denomination's days may be numbered, no official decision has been made to pull it from circulation just yet.

There were posts on social media on Tuesday asking whether the coin was still in use. However, in a notice the Central Bank confirmed that it is currently weighing the “continued issuance and subsequent demonetisation” of the coin.

The primary driver behind this potential shift is a significant disparity between the coin's face value and its manufacturing cost. The bank noted it currently costs approximately 24 cents to produce a single five-cent piece.

“No decision has been made regarding the continued issuance and subsequent demonetisation of the five-cent coin. This is, however, under consideration as a cost saving initiative for the country given the cost to produce the five-cent coin (about 24 cents each). This is similar to the experience with the one-cent coin, which, at the time that the bank stopped issuing it in 2017 was costing 21 cents each to produce,” the Central Bank explained.

By 2018, the smallest denomination was officially demonetised, meaning it was no longer legal tender for transactions, though it remains redeemable at the Central Bank.

The bank also reassured the public that any move to retire the five-cent coin would not happen overnight.

“If a decision is taken to stop issuing and, subsequently, to demonetise the five-cent coin, the public will be notified well ahead of time via the bank’s official communication channels. This will include the process for redeeming the coins to ensure that this is managed seamlessly as in the case of the one-cent coins which continue to be redeemed indefinitely following its demonetisation in 2018,” the bank added.

For now, the five-cent coin remains valid legal tender.