



## GUIDANCE NOTE

### TOPIC: Interpretation of the term “Household Domestic” under the National Pensions Act (2024 Revision)

#### Introduction

This Guidance Note is issued by the Department of Labour and Pensions (“**the Department**”) to:

- Explain the meaning of the term, “**household domestic**”, under the National Pensions Act (2024 Revision); and
- Clarify which occupations fall within that term, and which do not, for the purposes of mandatory pension contributions

#### The Law

Section 25 (1) and (2) of the National Pensions Act (2024 Revision) provide that:

##### ***“Eligibility for membership***

*25. (1) Subject to subsection (2) all employees between the ages of eighteen years and the normal age of pension entitlement shall be members of a pension plan.*

*(2) Employers are not required to provide pension plans, or to contribute to pension plans, for the benefit of employees who do not have Caymanian status, or who are not permanent residents, within the meaning of the Immigration (Transition) Act (2022 Revision) and who, in either case —*

- (a) have been working in the Islands for a continuous period of nine months or less; or*
- (b) are employed as a **household domestic**.”*

Section 3 of the National Pensions Act (2024 Revision) defines “household domestic” as having the meaning assigned to those words in the Labour Act (2021 Revision).

Section 2 of the Labour Act (2021 Revision) defines “household domestic” as a person employed in a private home as a domestic worker or gardener.

#### Interpretation

##### ***Who are household domestics?***

For the purposes of the National Pensions Act (2024 Revision), a household domestic is a person employed in a private home as:



- a domestic worker, or
- a gardener

For the purposes of section 25 (2) (b) of the National Pensions Act (2024 Revision), the Department considers persons employed as “domestic helpers” to also fall within this category.

Accordingly:

- Persons employed in a private home as domestic workers, domestic helpers, or gardeners who do not possess Caymanian status or are permanent residents may fall within the exemption provision of section 25 (2) and be excluded from receiving mandatory pension contributions from their employers.
- However, persons with Caymanian status, or permanent residents working in these roles, must receive mandatory pension contributions from their employer.

#### ***Who are NOT household domestics?***

The following persons do not fall within the meaning of “household domestic” under section 25 (2) (b) of the National Pensions Act (2024 Revision), even where work may be performed within a private household:

- Baby sitter
- Caretaker
- Domestic/Certified nanny
- Caregiver
- Handyman
- Maintenance Person
- Personal Assistant
- Personal Chef
- Personal Driver
- Nurse
- Private Teacher/Tutor
- Security Officer

This Guidance Note is intended to assist employers and employees in understanding the Department’s position on the relevant statutory provisions. It does not replace the legislation and is intended merely to be advisory.