

2024 Guide to End of Year Raises and Holiday Bonuses for Nannies, House Cleaners & Home Attendants

It's that time of the year again when many of us are thinking about giving and showing appreciation. For those of us who employ workers in our homes, this also means deciding on what to provide for a cost of living raise and a holiday bonus.

This year Hand in Hand (HIH) and the National Domestic Workers Alliance (NDWA) recommend you provide a 3-5% cost of living raise and a holiday bonus of 1-2 weeks pay.

Some considerations this year

When deciding amounts to give, we encourage you to think generously and expansively. Domestic workers continue to be some of the hardest hit workers by shifts in the economy, including inflation and the rising costs of necessities like food, gas, and other essentials.

How to calculate COLA (Cost of Living Adjustment) raise

A cost of living raise is meant to offset rising costs in goods and services. This year we recommend employers provide a 3-5% wage increase for domestic workers. If you did not provide a COLA raise last year, we recommend you provide at least 5%.

Bringing up the topic of a wage increase

A common mistake that many people make is thinking that it is the responsibility of the domestic worker to ask for a raise. The reality is that the power dynamic between employer and employee can make asking for a raise very difficult. By taking the initiative to conduct regular check-ins and provide a yearly COLA raise, you ensure equity and fairness as well as strengthen the quality of your working relationship.

Don't forget the holiday bonus!

An average year-end bonus is usually one to two weeks pay, although you can of course choose to give more. In the case of house cleaners who provide service less frequently than weekly, consider a bonus in the amount you'd pay for one or two cleanings.

Unlike a cost of living raise, which is meant to address rising costs, think of the bonus as an expression of how much you value the person you employ. It's an opportunity to tell them you appreciate them, whether it be face-to-face or in a note!

Some employers also choose to show their appreciation by giving gifts. It's important to note, while a thoughtful gift is great, it's not a substitute for a bonus.

Have a conversation about holiday plans and schedules

Be sure to communicate any holiday-related changes in your schedule to the person you employ as early as possible. Perhaps you will need extra help, or maybe you plan to travel out of town. If you are reducing regular work hours, be sure you still compensate them for the time they would have worked.

Don't forget, the person you employ is also looking forward to their own holiday traditions, so make sure to provide plenty of paid time off. We recommend providing a minimum of two weeks of vacation per year one of which should be a time of their choosing.

Information for employers who hire through Medicaid

For employers who receive funding through Medicaid or public services (for example, personal care assistant funding through a state or local program), it's important to understand that, while you may not be able to raise wages directly, you can still find ways to support the worker in your home.

Employers have a powerful role to play in advocating for better wages and benefits. Low wages lead to workforce shortages and compromises in quality of care. **Join Hand in Hand's campaigns** to raise care worker wages and improve everyone's access to home and community based services.

