

2022 Guide to End of Year Raises and a Holiday Bonus

for Nannies, House Cleaners and 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 showing care for those who provide care for us by providing a cost of living raise and a holiday bonus.

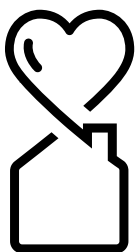
Some considerations this year

When thinking about giving this year, we encourage you to take rising costs into account. It's no secret that domestic workers (nannies, house cleaners and home attendants) are some of the hardest hit by fluctuations in the economy, whether it be the impacts of COVID-19, or rising costs due to inflation.

This year, food prices have gone up an average of 13% and they show no signs of going down. In October, the Energy Department reported that this winter energy costs are likely to go up 10%. And we're all still reeling from the high costs of gas and travel earlier this year.

In a June 2022 survey from NDWA Labs, 47% of domestic workers responded that they were struggling to pay for regular expenses, in a large part due to inflation.

All of this is to say, we encourage you to think even more expansively and generously this year when giving a holiday bonus and cost of living raise.



HAND IN HAND
THE DOMESTIC
EMPLOYERS NETWORK

**NATIONAL
DOMESTIC
WORKERS
ALLIANCE**

How to calculate COLA (Cost of Living Adjustment) raises to account for inflation

In October, Social Security announced the largest Cost of Living increase to date, at a rate of 8.3% to account for inflation. Every year at the end of the year employers think about giving raises, but this year it's even more important to keep up with the cost of living. **This year we recommend employers provide an 8% wage increase for domestic workers.**

Additionally, we spoke to a few Hand in Hand members and asked them how they have adjusted cost of living raises this year to help provide some guidance.

Liz Wyner from New York City, who hired a nanny through a co-operative, chose to give a \$0.50/hr cost of living raise after 6 months because she was conscious of rising costs. When it came to the year mark, she provided a 5% raise plus an additional raise to account for inflation in total a raise of \$2.50/hour. Over the course of the entire year, she raised wages by 13%.

For Donna, a house cleaner employer in New York City, having a conversation about the impact of rising costs, also served as an opportunity to re-establish regular check-ins and improve communication overall. The conversation resulted in a 10% raise per cleaning, and a written work agreement!

Eileen Boris, a house cleaner employer from California said she always thinks about raises in relation to her own salary. "When I get a cost of living raise, I give a raise," said Eileen. Additionally, she adjusted wages with inflation this year, raising the hourly rate she paid her house cleaner from \$25 to \$30 per hour.

With increases in gas prices and long commutes for many nannies, house cleaners and home attendants, **now is a good time to consider adding a travel allowance for the worker you employ if you don't already provide one.**

It's your responsibility to bring up the topic of a wage increase

A common mistake that many people make is thinking that it is the responsibility of the workers in their homes to ask for a raise. When in fact, the power dynamic between employer and employee can make asking for a raise very difficult.

Taking on responsibility for having regular check-ins and providing a regular COLA raise is not only the right thing to do, it will go a long way in ensuring you have a great relationship with the person who works in your home!

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 also an opportunity to tell them you appreciate them, whether it be face to face or in a note!

Some employers also choose to give a gift to show their appreciation. However please note, a thoughtful gift is not the same as a bonus.

Have a conversation about holiday plans and schedules

Communicate any holiday-related changes in your schedule as early as possible. Perhaps you will need extra help, or maybe you are going out of town and will not need support. **If you are reducing regular work hours, be sure you still pay for the time.**

The person you employ is also looking forward to their own holiday traditions, so make sure to give paid time off. The best practice is two weeks vacation per year at minimum, with one of the weeks at the 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 still can find ways to support the worker in your home.

Employers have a powerful role to play in advocating for better wages and benefits, including showing how low wages lead to workforce shortages and compromise the quality of care. [Click here to join Hand in Hand's campaigns to raise care worker wages and access to home and community based services.](#)