

# 2023 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 deciding on what to provide for a cost of living raise and a holiday bonus.

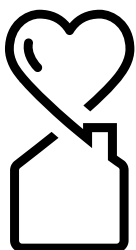
**This year Hand in Hand (HiH) and the National Domestic Workers Alliance (NDWA) recommend you provide a 3-5% Cost of Living Raise, and a holiday bonus of 1-2 weeks pay.**

### 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 by shifts in the economy, including the rising costs of things like food, gas and other goods and services. According to the Bureau of Labor Statistics, Consumer Prices are up an average of 3.7% this year.

### How to calculate COLA (Cost of Living Adjustment) raise

A cost of living raise is meant to offset rising costs. When thinking about how much to raise wages, Social Security is a good place to start. In October, Social Security announced the Cost of Living increase for 2024 would be 3.2% to account for rising prices and inflation. This year we recommend employers provide a 3-5% wage increase for domestic workers.



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## **Something else to keep in mind...**

Last year, based on Social Security, we advised employers to give an 8% COLA raise to account for high inflation. So if you did not provide a 8% raise last year, we encourage you to do what you can to make up the difference now.

## **Bringing 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 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 great, but it's not the same as a bonus.

## Have a conversation about holiday plans and schedules

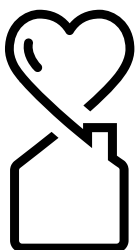
Communicate any holiday-related changes in your schedule as early as possible. Perhaps you will need extra help, or maybe you are going out of town and will not need support. **If you are reducing regular work hours, be sure you still pay for the time.**

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.](#)



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