2025 Guide to Annual Raises and Holiday Bonuses for Nannies, House Cleaners & Home Attendants

This year Hand in Hand (HIH) and the National Domestic Workers Alliance (NDWA) recommend you provide:

- A wage increase of 3-5% to account for inflation and the increased cost of living – or more, if the employer did not give a raise in previous years.
- A year-end bonus of at least 1-2 weeks' pay (or for housecleaners, the pay for 1-2 cleanings).
- Guaranteed pay, even if the employer's schedule changes during the holidays.
- A higher wage for housecleaning during the holidays, when homes are busier and extra cleaning can be needed

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We also recommend these best practices for paid time off and other supports:

- At least 2 weeks of paid vacation, to be taken at any time of the year.
- A transportation stipend
- Discretionary paid time off, for illness or family emergencies

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The recommendations below apply to both part-time and full-time employees.

Some considerations this year

When deciding amounts to give, think generously and expansively. Domestic workers are some of the hardest hit by shifts in the economy, including rising costs. Many domestic workers are impacted by federal policies including increased presence of law enforcement in communities and incidents of racial profiling, pending cuts to Medicaid and SNAP and the rollback of home care worker rights.

How to calculate COLA (Cost of Living Adjustment) raise

A cost of living raise is meant to offset rising costs in goods and services. For 2025, we recommend a 3-5% wage increase. If you did not provide a COLA raise last year, we recommend you provide at least 5%.

This year we encourage employers to provide a transportation stipend to help meet rising costs as well as increased safety risks. This stipend supports domestic workers to prioritize safety while travelling to and from work.

This year we further encourage employers of domestic workers to provide additional discretionary paid time off, for illness or to tend to family appointments or emergencies.

Don't forget the holiday bonus!

An average year-end bonus is usually one to two weeks pay, although you can choose to give more. In the case of housecleaners who provide service less frequently, a bonus can be the amount you pay for one to two cleanings.

A bonus should not be linked to performance, but rather reflect your appreciation for essential work. While some employers may choose to give gifts, it's important to note that gifts are not a substitute for a bonus.

Have a conversation about holiday plans and schedules

The holidays are a busy time, and often come with shifting schedules. Be sure to communicate any holiday-related changes in your schedule 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 the worker you employ 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.

A special note for housecleaner employers

Provide a higher rate of pay for housecleaning done before or after holiday parties and visitors. With the holidays comes higher traffic (think out of town relatives and kids home from school) and more mess. Cleaning during this time should be compensated at a higher rate to account for increased cleaning needs.

Bringing up the topic of a wage increase

Many people think that it is the responsibility of domestic workers to ask for a raise, but in reality, the power dynamic between employer and employee can make that very difficult. By taking the initiative, you ensure fairness and strengthen the quality of your working relationship.

Other key components of fair employment

Be sure to provide paid time off, conduct regular check-ins, and establish a written work agreement, which in some cities and states, is also required by law.

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.