BOX ARTICLE: LONGER-TERM INCOMES FOLLOWING JOB CHANGE

INTRODUCTION

Job mobility refers to workers moving from one job to another, whether voluntarily or involuntarily. Changing jobs can provide opportunities for a better match to their skills, experience and aspirations and improve career trajectory. Income outcomes may differ depending on the nature and circumstances of the job change.

This article examines the income outcomes[1] of full-time resident employees aged 25 to 59[2] who had changed jobs in the past year, as well as their income progression following the job change.

Overall, job switchers were more likely than job stayers to experience real income gains, particularly over the longer term. While involuntary job switches were associated with weaker initial income outcomes than voluntary job switches, most subsequently experienced real income growth, including those who initially suffered a cut in wages. Notwithstanding this, involuntary job switchers remained less likely than voluntary job switchers to earn more than before their job change.

FINDINGS

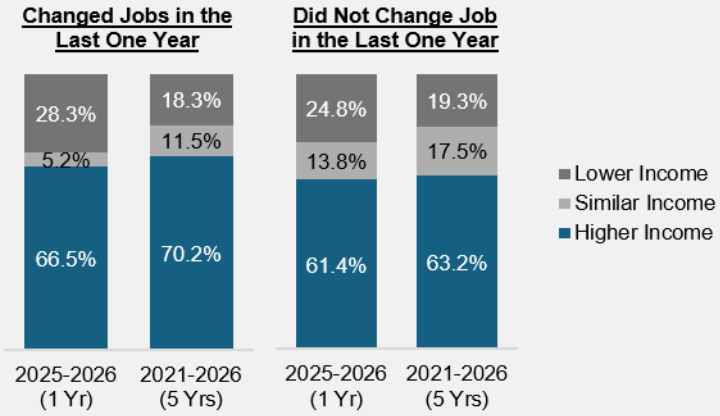
Job switchers were more likely to experience real income gains than job stayers, particularly over the longer term

Job switchers generally saw positive income outcomes. Among full-time resident employees aged 25 to 59, 66.5% of those who changed jobs in the past year saw real income gains from 2025 to 2026, compared with 61.4% of those who did not change jobs. This difference widened when incomes were tracked over a longer five-year period, from 2021 to 2026, based on an older cohort of workers (70.2% and 63.2% respectively).

[1] Income outcomes are based on real income changes at the 1% threshold.

[2] The analysis focuses on full-time resident employees aged 25 to 59 in the initial reference year to facilitate the tracking of income outcomes over subsequent years.

Chart A1 Real income outcomes of full-time resident employees aged 25 to 59 by whether they had changed jobs in the last year

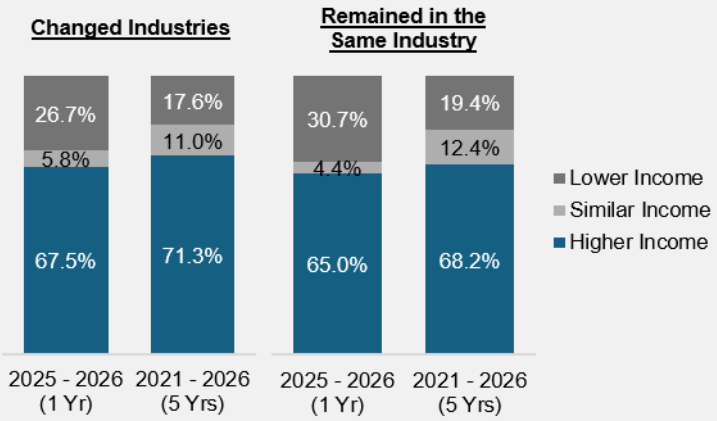


Source: Comprehensive Labour Force Survey and Administrative Records, Manpower Research & Statistics Department, MOM

Notes: (1) Data exclude full-time National Servicemen.
(2) Income outcomes are based on real income changes at the 1% threshold. Those whose income "increased" experienced real income growth of at least 1% per annum (p.a.). Those whose income "decreased" experienced real income declines of at least 1% p.a. Those whose income is similar over the period of comparison experience real income growth of greater than -1% p.a. to less than 1% p.a.
(3) Real income data are deflated by CPI for all items at 2024 prices (2024 = 100). Real income change data involving year 2026 are preliminary, as the full-year CPI data for 2026 is not available yet.
(4) Distribution data for each period may not add up to 100% due to rounding.

Among those who changed jobs, the share who saw real income increase within the year of job change was broadly similar between industry switchers and stayers (67.5% and 65.0% respectively). Over a longer period of five years, the share among industry switchers (71.3%) was slightly larger than those who remained in the same industry (68.2%).

Chart A2 Real income outcomes of full-time resident employees aged 25 to 59 who had changed jobs in the last year by whether they had changed industries



Source: Comprehensive Labour Force Survey and Administrative Records, Manpower Research & Statistics Department, MOM

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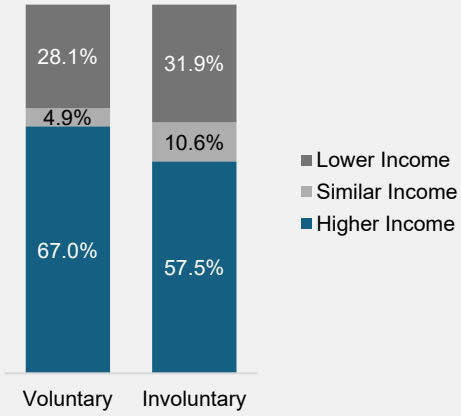
Nearly all job switches were voluntary, though involuntary job switchers initially had weaker income outcomes

More than nine in ten (94.4%) job switches over the past year were voluntary rather than due to retrenchments.

Income outcomes differed by the circumstances of the job change. While over half (57.5%) of involuntary job switchers experienced higher real income in their new job relative to their pre-retrenchment wage, this was lower than the corresponding share among voluntary job switchers (67.0%). This suggests that some displaced workers may face difficulty finding employment that matched their skills and experience.

Chart A3 Real income outcomes of full-time resident employees aged 25 to 59 who had changed jobs in the last year by whether the job change was voluntary, 2026



Source: Comprehensive Labour Force Survey and Administrative Records, Manpower Research & Statistics Department, MOM

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(4) Voluntary job switches refer to workers who left their last job for reasons other than retrenchments, while involuntary job switches refer to workers who left their last job due to retrenchments.
(5) Distribution data for each category may not add up to 100% due to rounding.

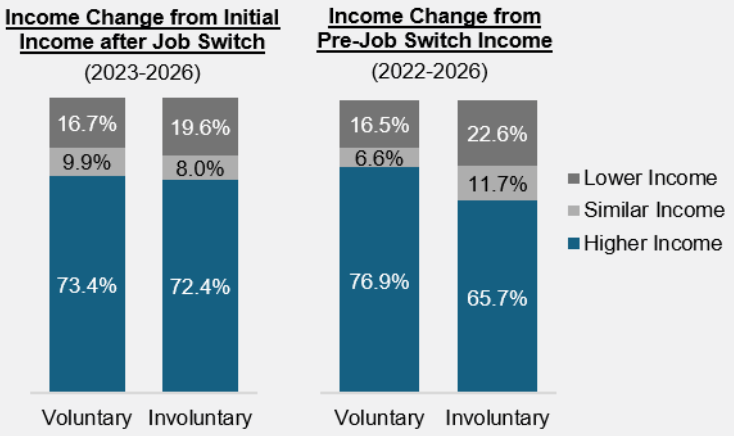
Income outcomes improved over time, although involuntary job switchers were less likely to surpass their pre-switch earnings

Beyond the initial job change, both voluntary and involuntary job switchers subsequently experienced real income growth within their new jobs. Among workers who changed jobs in 2023, 72.4% of involuntary job switchers experienced real income growth in their new jobs between 2023 and 2026, comparable to 73.4% among voluntary job switchers.

However, even with a longer runway, those who switched job involuntarily in 2023 were less likely than voluntary job switchers to surpass their pre-change earnings. By 2026, 65.7% of involuntary job switchers had real incomes above their pre-job change levels, compared with 76.9% among voluntary job switchers.

Taken together, this suggests that while incomes generally grew in real terms after re-entry into employment, subsequent gains may not fully offset the initial earnings loss for some displaced workers.

Chart A4 Real income outcomes of full-time resident employees aged 25 to 59 who had changed jobs in the last year



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CONCLUSION

Overall, job switchers generally saw positive income outcomes, and were more likely than job stayers to experience real income gains, both in the near and longer term.

While involuntary job switchers initially had weaker income outcomes than voluntary job switchers, both groups had equal likelihood of experiencing real income growth within their new job after job change. Nonetheless, some displaced workers saw real incomes below their pre-switch earnings three years post displacement. Supporting displaced workers in securing jobs that make good use of their skills and experience can help improve their longer-term income progression.