# Career Mobilities, Wages and End of Career

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# CAREER MOBILITIES, WAGES AND End of Career *

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# Mobilités professionnelles, salaires et fin de carrière

Quelles sont les spécificités des travailleurs seniors en matière de transitions professionnelles ? À partir de la Base Tous Salariés, nous décomposons les transitions professionnelles selon qu'elles impliquent un changement de profession et/ou d'employeur. En France hors Mayotte, entre 2021 et 2022, 13,1% des salariés du secteur privé ont changé d'entreprise. Parmi eux, 3,9 % ont conservé la même catégorie socioprofessionnelle (PCS), tandis que 9,2 % ont changé de PCS. Ces mobilités diminuent fortement avec l'âge : 85,4 % des salariés âgés entre 55 et 59 ans sont toujours dans la même entreprise un an plus tard, contre 73,4 % des salariés âgés de 30 à 35 ans. À caractéristiques comparables, les salariés âgés de 55 à 59 ans sont 30% moins susceptibles que ceux âgés de 40 à 49 ans de changer d'employeur. Les gains salariaux généralement associés à la mobilité sont également plus faibles pour les séniors. Plus de la moitié des salariés de 55 ans ou plus qui changent d'entreprise subissent une perte en salaire horaire : celle-ci atteint en moyenne -0,6 % pour les 55-59 ans et -4,6 % pour les 60 ans ou plus. Les pertes salariales sont encore plus marquées lorsque la mobilité s'accompagne d'un changement de profession. Nos résultats montrent que, jusqu'à 59 ans, les transitions professionnelles observées chez les travailleurs seniors sont probablement moins volontaires. En outre, avec l'âge, les changements de profession deviennent plus rares : lorsqu'ils changent d'employeur, les salariés tendent davantage à conserver la même profession ou à se diriger vers des professions proches de leur emploi initial en termes de compétences requises, plutôt que vers des professions mieux rémunérées. Enfin, les travailleurs de plus de 55 ans sont plus susceptibles de passer et de rester à temps partiel : cette situation concerne 28,4 % des, 55-59 ans et 45 % des 60 ans ou plus, contre 19,1 % des salariés âgés de 30 à 54 ans.

**Mots-clés :** mobilité professionnelle, travailleurs seniors, carrière, salaire
**Codes JEL :** J14, J24, J31, J62

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# Career Mobilities, Wages and End of Career

What are the specificities of senior workers regarding career transitions? Using the Base Tous Salariés, we decompose career transitions according to whether they involve a change of occupation and/or employer. In France excluding Mayotte, between 2021 and 2022, 13.1% of private-sector employees changed employer. Among them, 3.9% remained in the same occupational category (PCS), while 9.2% also changed occupational category. These transitions decline sharply with age: 85.4% of workers aged 55 to 59 remained in the same firm one year later, compared with 73.4% of those aged 30 to 35. Controlling for observable characteristics, workers aged 55 to 59 were 30% less likely than those aged 40 to 49 to change employer. The wage gains generally associated with mobility are also smaller for older workers. More than half of employees aged 55 or older who changed employer experienced a decline in hourly wages: on average, hourly wages fell by 0.6% for workers aged 55–59 and by 4.6% for those aged 60 or older. Wage losses are even larger when mobility is accompanied by a change in occupation. Our results show that the observed job transitions are less likely voluntary among senior workers up to age 59. Moreover, as workers age, occupational mobility becomes more limited: they tend either to remain in the same occupation when changing employers or to move to occupations requiring similar skills, rather than to higher-paying occupations. Finally workers over the age of 55 are more likely to start and stay working part-time: this concerns 28.4% of workers aged 55–59 and 45% of those aged 60 or older, compared with 19.1% of workers aged 30 to 54.

**Keywords**: job mobility, senior workers, career, wages
**JEL Code :** J14, J24, J31, J62

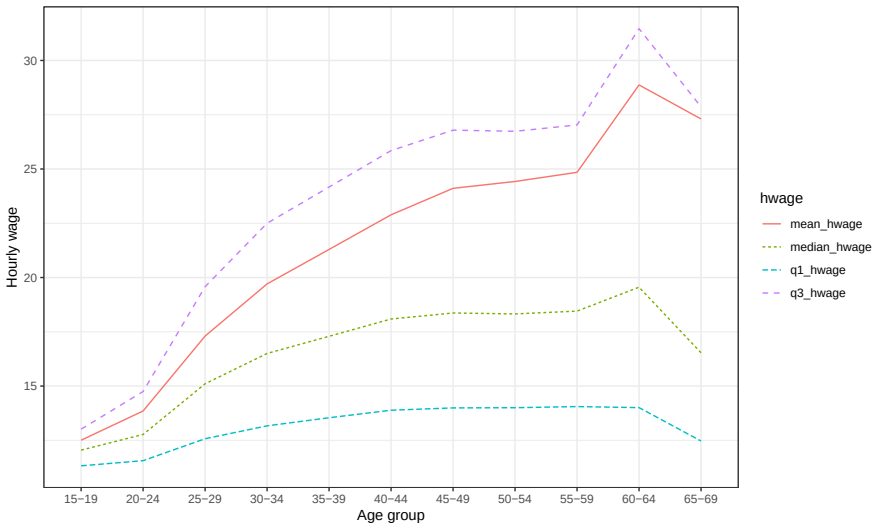
# Introduction

In a context of an ageing population and successive pension reforms, the ability to keep older workers employed is becoming a key issue. However, behind this highly publicized debate lies a more complex reality.

In France, on average, in any given year, older employees are better paid than their younger colleagues. Similarly, on average, individual wage increases throughout the career. Figure 1 shows cross-section wage profiles with age in France. The average hourly wage of salaried workers increases with age (in cross-section), and so does the dispersion. In 2021, a worker in France earned an average of 21.5 €/h. It's only 17.3€/h for the workers between 25 and 29 years old while it's 24.8€/h for those between 55 and 59 years old. But there is a wide dispersion which increases greatly with age: the difference between the third and the first quartiles is 46% of the median for the 25 to 29-year-old age group, when it is 70% for the 55 to 59 year-old. This wage age gap in favour of older workers mainly concerns skilled employment. Those results are similar for other vintages and echo the earlier results on French data of Aubert (2007) who also notes that, while the average wage was higher for workers above 45 years old, the median was not and the dispersion is such that there is no robust pattern.

In this regard, France has a different wage profile compared to its European neighbours. Indeed, in Europe, the wages of the over 50 years old can be much lower than those of the 30-49s: in France, there is a gap of +15% between the average hourly wage of these two age groups in favour of the oldest. France is one of the six countries with the largest gap among the thirty countries studied (Castelain, Delaporte, & Rémila, 2024). The common explanation for this phenomenon is a greater selective attrition[1] in France (Aitken & Singh, 2023), in a labour market that struggles to integrate the least productive senior workers.

Figure 1: Distribution of hourly wage in 2021 across age groups




Note: Between the ages of 30 and 34, a private sector employee earns an average of 19.7 euros per hour in 2021. The median is 16.5 euros per hour. The first quartile is 13.2 and the third quartile is 22.5.
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

Several frameworks allow to understand why wages would grow with age.

The first one is that wage equals realised individual productivity, in a frictionless labour market. Human capital accumulates by initial training, on-the-job training, and experience, the workers learn and become more productive (Mincer (1974), Becker (1964), MacDonald (1982)). This model

[1]Selective attrition occurs when low-wage or less healthy workers leave the labour force earlier, resulting in a remaining sample that is positively selected. In other words, higher earners are more likely to stay employed longer.

explains growing wages with age, with a concave growth due to human capital investment having diminishing returns as the end of the active life approaches.

Another framework posits that the wage profile is a necessity for the organisation of the firm rather than the reflection of the workers' abilities. In his articles of 1979 and 1981 (E. P. Lazear (1979), E. Lazear and Rosen (1981)), Lazear presents a model where due to moral hazard (the employer cannot observe the employee's efforts), the employer designs a growing wage schedule to incentivise effort from employees with a pre-defined end of career date. They are paid less than their marginal productivity at the beginning of their career, and more at the end, so that employees want to remain employed by the firm, and exert efforts to avoid being fired. Workers accept this wage schedule if their lifetime earnings in this scheme are higher. Other reasons can make implicit contracts emerge by agreement between employers and employees: workers anticipate that their needs for liquidities will increase with age, and agree to "forced savings".

More generally, those wage profiles are cemented in collective agreements and/or work contracts: seniority bonuses (*prime d'ancienneté*) can be set in the collective agreement (company or industry level) according to tenure. Those rules that are supposed to enforce optimality when written can become rigidities in cases of unexpected economic shocks (Jolivet, 2001). In these kinds of frameworks, older workers have no incentives to change employers since they are at the stage where they benefit from the wage schedule. Should they find themselves unemployed, though, they cannot expect a wage as high as in their previous job when re-entering the workforce because those benefits are lost. Those relatively higher wages for seniors in average may be an obstacle to their employment and professional mobility.

This situation contrasts with a relatively low unemployment rate for seniors, which could give a misleading image of their position in the labour market. The employment rate of seniors in France is indeed lower than the European average (58.4% vs 63.9% for the 55-64 years-old, see *Emploi, chômage, revenus du travail* (Edition 2024)), with most of the difference coming from the 60 to 64 years-old (38.9% employed in France, 50.9% in average in the European Union according to Eurostat, Labour Force Survey). This reflects increasing difficulties in remaining in or re-entering employment at the very end of the career, in a context where retirement may serve as an alternative exit. In 2023, among those aged 55-61, one in five is neither employed nor retired, with two-thirds of them being so either for health reasons or because they are unable to find a job despite their efforts (Castelain et al. (2024)). In reality, this paradox highlights a crucial issue: that of returning to employment after age 55, often compromised by early retirement, forced inactivity or discouragement.

Progressively, the conception of what constitutes a successful career has changed over time (Guan, Arthur, Khapova, Hall, & Lord, 2019): rather than a series of promotions within the same company, workers increasingly aspire to a *"boundaryless career"* (organizational, psychological, skill-related,...), where success relies on workers' adaptability and the acquisition of new skills. Nowadays, professional mobility is at a high level, fluctuating with the general state of the economy. From the Covid-19 period until 2023, it has risen: in 2023, 18.3% of private sector employees left their employer, which is 1.3 percentage points higher than in 2019 (Bour, Duquesne, Fabre, & Sokhna, 2024). However, the qualities required for successful mobility are reportedly less prevalent among senior workers, both due to their expectations of an employee-employer contract (in terms of loyalty to the firm being expected and rewarded) and their age (Skirbekk, 2004), as well as their low rate of training. Part of the career paths within the same company is based on wage profiles that increase with experience, potentially leading to a disconnection between employee productivity and remuneration. Such an increase in mobility may challenge the existence and effectiveness of these "implicit contracts" which could put older employees in a difficult position.

High and possibly non-competitive salaries in a high-mobility labour market can thus be an obstacle to senior worker employment. This study aims to shed light on the specificities senior workers of the private sector exhibit in the way they conduct their career and pursue professional mobility, by identifying when age-related differences emerge and by quantifying the heterogeneity in professional mobility across age groups and wage levels.

To do so, mobility is examined from both the perspective of changing employers and changing professions, following the typology of Louis (1980). Additionally, voluntary and involuntary mo-

bility are distinguished, assuming that a transition is likely voluntary when an employee leaves a permanent contract for another position without going through a significant unemployment spell[2]. This study finally characterizes the extent of the adaptation required to change professions by the similarity between the skills required in the new role and those already exercised in the previous role, and whether, in addition to changing socio-occupational categories, the individual changes professional family.

We use the Base Tous salariés (BTS). Coming from administrative declarations by firms, it compiles individual-level information on all salaried workers in France, including some demographic characteristics, and some specific to their work contract: an employer identifier, the type (long or short-term) of contract, hourly and yearly wages, socio-professional category with a 4-digit code (about 430 codes). The study covers France except for Mayotte. The Rome reference framework, list of descriptions of hundreds of occupations and their associated skills, is also used to quantify how different the skill sets are for two occupations.

The results show that in France excluding Mayotte, between 2021 and 2022, 13.1% of private-sector employees changed employer. Among them, 3.9% remained in the same occupational category (PCS), while 9.2% also changed occupational category. These mobility tend to become less frequent with age (85.4% of workers aged 55 to 59 remained in the same firm one year later, compared with 73.4% of those aged 30 to 35). This holds true even when controlling for the activity sector, the type of contract, the initial wage and other relevant information.

The average salary gains associated with mobility decline significantly with age. More than half of employees aged 55 or older who changed employer experienced a decline in hourly wages: on average, wages fell by 0.6% for workers aged 55–59 and by 4.6% for those aged 60 or older. Wage losses are even greater when mobility is accompanied by a change in occupation. Among workers aged 55–59, those who changed employer while remaining in the same occupation recorded an average wage increase of only +0.1%, compared with a decline of -1.1% for those who changed both employer and occupation. By contrast, employees aged 25–29 experienced an average wage gain of +10.4% when changing employer and occupation.

We also uncover substantial heterogeneity in late-career wage outcomes. From age 55 onwards, workers who change both employer and occupation face increasingly divergent outcomes. For workers aged 55 to 59, such mobility can still be a driver of wage growth: 25% obtain wage gains exceeding 12%, whereas the corresponding upper-quartile gain remains well below 10% for other types of mobility. At the same time, the median return turns negative and the lower tail of the distribution deteriorates sharply after age 60, with the first quartile falling below -40%, compared with about -20% for workers aged 55 to 59.

This decline in the benefits associated with mobility with age is all the more pronounced when the initial salary is high. At the bottom of the distribution, the minimum wage acts as a safety net by limiting wage losses. Thus, older employees, who have already been able to climb the wage ladder, have in average less incentive to undertake voluntary professional mobility.

We see no difference by gender in the decline with age in both mobility and associated wage gain, even though women have in average lower wages and a higher average mobility, explained in part by a lower share of open-ended contracts.

Career mobility at the end of one's career is qualitatively different in several respects.

First, the proportion of transitions identified as probably involuntary among changes of employer from a permanent contract increases with age, rising from around 15% at age 35-39 to 17.5% at age 55-59 among workers who change both employer and occupation. By contrast, this proportion remains broadly stable among workers who only change employer. The wage losses associated with these likely involuntary transitions are much greater, particularly towards the end of a career. However, even when the transition appears to be voluntary, older workers suffer wage losses when they change employers. Beyond age 60, however, mobility becomes rare, particularly transitions identified as probably involuntary. As a result, the number of observations falls markedly, making the estimates more sensitive to individual situations.

[2]Administrative data cannot reliably inform on the voluntary or not character of a transition, so we use the imperfect but still informative criteria as in Babet and Chabaud (2024): the employee must have left a permanent contract, the amount of unemployment benefit received must be at least equal to 70% of their previous wage.

Second, older workers are also proportionally less likely to accept a job that is further removed from their previous profession in terms of the skills they use, particularly if the mobility is likely to be involuntary. For employees over the age of 30-35, and even more so for those over the age of 50-55, a 'long-distance' change of profession in terms of skills (change of occupational group, no skills in common between the two professions) generally results in lower salary gains than those obtained by remaining in a similar profession, and this difference increases with age to become a penalty, in average, over 60 years old who also change employer.

Furthermore, 34% of workers under the age of 30 who change employers and professions choose a job with an average salary that is at least 5% higher than the average salary in their original profession, accepting to leave the top of the salary distribution in their initial profession to find themselves at the bottom of that of their new profession. These transitions, which involve a short-term loss of salary, may be accepted in anticipation of future salary gains. Fewer senior workers do this: the proportion of those who change employers to a profession with a higher average salary falls from 35% at age 30 to 25% at age 55.

Finally, working-time adjustments appear to be a dimension of mobility at older ages. While many employees change employers to move from part-time to full-time work, older workers are more likely to do the opposite and generally hold part-time positions more often. When they change employer, seniors workers more frequently use these transitions to reduce their working time. This is particularly evident among workers who change both employer and occupation: 24.8% of workers aged 60 and over and 10.6% of those aged between 55 and 59 move from full-time to part-time employment, compared with 7.3% of those aged 30–54. Even when older workers move from part-time to full-time employment, the resulting daily wage gains (a measure that takes into account the effect of increased working hours) are smaller for older workers than for younger workers.

Again, average patterns conceal substantial heterogeneity in older workers' career trajectories. Their mobility cannot be reduced to involuntary transitions associated with wage losses, moves to closely related occupations, or shifts into part-time work. Although likely involuntary mobility is highest among 55–59-year-olds, it is comparatively low among 60–64-year-olds and even below the level observed among workers aged 25–54. Moves to occupations with higher average pay are uncommon when older workers change occupation within the same firm, but much more frequent when they also change employer. They account for 37.0% of such transitions among 55–59-year-olds and 31.4% among workers aged 60 or over. Occupational mobility among older workers may also involve substantial changes in skills. Among likely involuntary transitions, the share of moves to an occupation requiring no skills in common with the previous one is only 6 to 7% lower for older workers than for 35–39-year-olds. Among likely voluntary transitions, this share is even higher for older workers than for younger workers. Finally, some transitions involve a move from part-time to full-time work. This is the case for 11.4% of 55–59-year-olds and 12.5% of workers aged 60 or over who change both employer and occupation, and for 6.2% and 7.0%, respectively, of those who change employer only. In the latter case, average monthly wage gains are even larger than among 30–54-year-old workers making the same transition.

All of these stylised facts suggest that if there is a specific characteristic of older workers in terms of professional mobility, it is a mix of lower bargaining power on the labour market, a specific outside option (soon retirement) and preferences (working conditions gaining in importance compared to wage). Older workers do not necessarily face more constraints than other age groups when it comes to mobility involving a significant change of job or skills. However, we see less of them succeeding in improving their remuneration (or maintain it when the transition is likely to be involuntary).

This article is structured around four main sections. The first section sets out the definitions of the notions used, in particular the typology of transitions, skill distances between professions as well as the distinction between likely chosen and likely imposed mobility. The next one presents a set of descriptive statistics that provide an overview of mobility patterns among private-sector employees. The third section turns to the core question of the wage consequences of mobility. Finally the last section documents the specificities of the transitions observed for senior workers compared to younger ones: their likely voluntary or imposed character, the magnitude (in skill distance and average pay) of changes in profession and the changes in working time.

# 1 Methodology and definitions

## 1.1 Changing employers and profession

To define professional transitions, we use the typology devised by Louis (1980) of interrole career transition, she coins 5 specific transitions. These events in a career are distinguished by whether the worker crosses organisational boundaries or take-up a different role than they previously had. All those events are meaningful in a career because they entail significant adjustment.

- the **entry**/re-entry: in entry or re-entry, the individual takes up the identity of a worker after being a student, job seeker or stay-at-home parent for instance, and has to adapt to new norms of supervision, communication and autonomy specific to the organisation that employs them.
- the **intracompany transition**: in an intracompany transition, corresponding to a change in occupation within the firm, the worker is attributed new tasks and possibly new colleagues.
- the **intercompany transition**: in an intercompany move, the worker changes employer, keeping a similar job: the differences outlined in both previous transitions can apply, depending on the magnitude of change occurred.
- the **interprofession transition**: in an interprofession transition, the worker has to change both employer and job content, and experiences some kind of culture shock.
- and the **exit**, having no job anymore for at least a year, be it voluntary or not, planned or not (in our case, exit can be also a transition to non-salaried but still paid forms of work, or to an employer outside of our scope, which would have been called an interprofession transition by Louis).
- we will call **stayers** workers who experience neither of those transitions.

All the events described above are relevant for us because they are associated with changes to the work contract, and possibly to the wage of the worker. To recover those categories, we use the Base Tous salariés (BTS). It comes from administrative declarations by firms, it compiles individual-level information about all salaried workers in France, including some demographic characteristics (notably their age), and some specific to their work contract: an employer identifier, the type (long or short-term) of contract, hourly and yearly wages, socio-professional category with a 4-digit code (about 430 codes). This database has a two-year panel feature from which we identify professional transitions. The scope of the study includes the main private sector positions excluding farmers, workers for private households, subsidized jobs, interns, and apprentices. The study covers France except for Mayotte. We will exclude transitions from public sector to public sector, as motivated by both data availability (to use the latest vintages) and the differences in the way professional mobilities and wage setting are handled within the French public sector compared to the private one. However, transitions to (or from) the private from (or to) the public sector are kept, reasoning that a worker wanting to change employer faces a similar choice in those situations and in private-to-private professional mobilities.

From the BTS 2022 data, we identify changes in employer identifier (SIREN) and socio-professional categories 4-digit code (PCS4, our best proxy for occupation) between two consecutive years (2021 and 2022). Those who remain with the same firm (identified by the same SIREN) and within the same 4-digit occupational code (PCS) are defined as stayers. When the firm remains the same but the worker changes occupation, this is referred to as intracompany mobility[3]. If the worker changes employer (different SIREN) but keeps the same occupation, the transition is classified as intercompany mobility. Particular attention was made to firm restructuring, like in Babet and Chabaud (2024): when more than 70% of employees from one firm move to another single SIREN, this change is not considered as a change of employers. Finally, workers who change both employer and occupation are classified as experiencing interprofessional mobility. Employees

[3]Since the occupation code has almost no consequences on the amount of taxes due, it could be prone to errors. Consistency in the volume of transitions obtained from the labour force survey, where occupation is self-reported, was satisfactory.

present in the data in 2021 but absent in 2022 are considered exiters, while those appearing in 2022 but not in 2021 are treated as entrants. Annex 5.4 presents results obtained on previous vintages for comparison, showing little differences for our age-related results, despite different labour market circumstances.

## 1.2 Chosen and imposed mobility

Identifying whether a transition is voluntary or not is difficult, first because the reasons behind a separation is not an information available in the database, but also because it is ambiguous: for instance a worker who suspects future mass lay-offs will try to change employer voluntarily, but nonetheless out of necessity. We want to identify as voluntary a change made as an optimisation decision, where the destination job is a better option than the previous one, as opposed to a situation where the next step is to be compared to unemployment.

We follow Babet and Chabaud (2024) in their definitions of job-to-job transitions which with good plausibility are voluntary or imposed: we only consider departures from long-term contract (as the end of short-term contract, while not at the initiative of the worker, can be anticipated), and define them as likely voluntary if the next job follows without a significant spell of unemployment with unemployment benefit. It is "significant" if the unemployment benefits received are superior to 70 hours (two weeks full time) worth of work at the hourly wage when employed the same year. The transitions are thought of as likely imposed if there is a significant spell of unemployment with unemployment benefit.

Among the transitions identified as involuntary, some could be in fact voluntary, for workers confident that they can find a satisfactory job from temporary unemployment. For them, the next job is compared to the second best job they can get rather than unemployment. As results will show, those false likely imposed transitions do not concern all age groups equally.

## 1.3 Skill distance between occupations

The ROME (Référentiel opérationnel des métiers et de l'emploi, Operational repository of occupations and employment) catalogs all occupations, describes them and lists all skills required by each occupation for the French labour market. It also provides a list of related occupations with which a mobility is deemed possible and likely.[4] It is used by the French employment agency France Travail to guide vacancy posting and job search. This description allows to define, for every pair of occupation, the share of skills in a target job already exercised in a source job, as an indicator of ease of doing the transition from the source job to the target one. We use that measure, later aggregated at the FaP level (Famille professionnelle, professional family, a clustering of occupations in Rome allowing a correspondence with the PCS codes in the BTS, grouping occupations with similar skill requirement and tasks[5], about 200 categories), as a measure of proximity between two jobs.

More precisely we define an array of proximity measures, distinct though correlated, based on this information:

- whether or not the transition was deemed possible by France Travail experts (0 or 1),
- whether or not it corresponds to a change of professional family in addition to a change of PCS (0 or 1),
- whether or not there is any overlap between the skills exercised (0 or 1)
- and finally the share of skills required in the target occupation already exercised in the source one (continuous between 0 and 1).

[4]Examples of skills: *Lifting heavy load products or equipment*, *Regulating and supervising the traffic of a transport network*, *Sell or rent products or services*, *Develop and retain customer relations*, *Preparing a patient for a medical procedure*, *Deploy and integrate software, an information system, an application*

[5]For instance, the Fap *Skilled mechanical maintenance workers* describes 2 PCS (628a *Qualified maintenance mechanics: industrial equipment* and 634d *Qualified maintenance mechanics: non-industrial equipment*) and 5 Rome occupations (Repair - assembly in clockwork systems, marine mechanics, aircraft maintenance, installation and maintenance in the nautical sector, industrial mechanical maintenance)

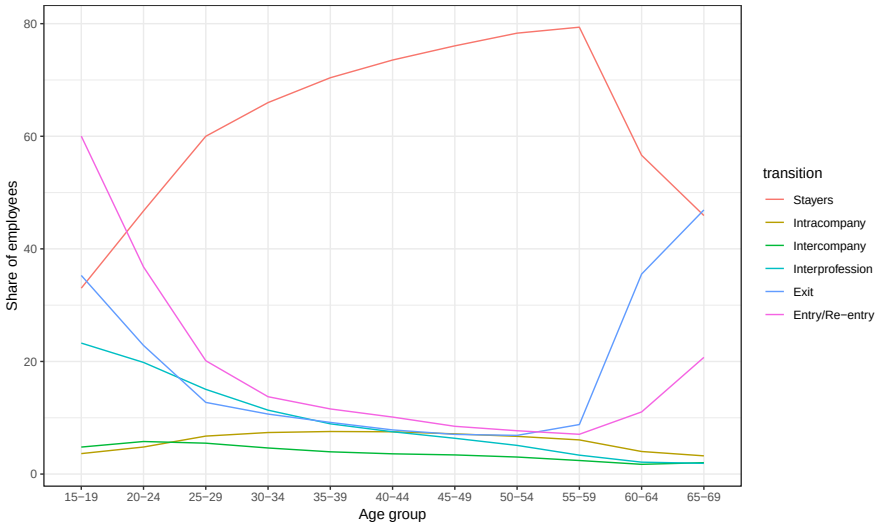
We then have four definitions for a long-distance transition: a value of 1 for the first three variables, or a low value for the last one.

# 2 Job mobility declines with age

## 2.1 Transition by age

Transitions do not concern equally people of all ages: entries are obviously the most common transition among young workers, and exits are predominant around the age of retirement. The Exits line in figure 2 shows a U-shape. Exits are initially high among the youngest age group (under 25), likely reflecting early career volatility and temporary exits, then declines through mid-career before rising sharply after age 55 as retirement becomes more prevalent. We can more or less see in the aggregated data the different stages of the career stage model in figures 2 (and 15 in appendix) as detailed in Sullivan and Al Ariss (2021): the exploration stage, until around 25 years old, the establishment stage, during which changes of both employers and occupation are most common, up to age 40 or 45 years old, the maintenance stage until the late 50's when it is most frequent to be stayers, and finally the disengagement stage where workers prepare to leave the labour force. Figure 2 additionally indicates that the older workers get, the less likely they will undergo a career transition. Interprofessional mobility is more frequent at the beginning of a career, with a peak before 30 years old. It then gradually declines with age and becomes very rare at the end of working life. By contrast, intercompany mobility remains relatively stable throughout the career span. While overall women are a bit more likely to change companies (more about the characteristics of mobile workers in the next sections), it is almost completely explained by other variables (mainly type of contract), and the evolution of mobility with age was not distinct for men and women.

Figure 2: Share of transitions by age group




Note : 15% of employees between 25 and 29 undergo an interprofession transition between 2021 and 2022, it's much less for those aged between 55 and 60 (3.4%).
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

## 2.2 Characteristics of mobile workers

15.4% of 2022 workers had just entered the labour market, 12.5% of 2021 left it (temporarily or not), see table 1. 13.1% of employees experienced professional mobility between 2021 and 2022. Among them, 3.9% changed companies (intercompany mobility), and 9.2% changed both their company and profession (interprofessional mobility). Meanwhile, 67.8% of employees remained in

the same company without changing occupation (stayers), and 6.6% experienced an intracompany transition.

Table 1: Socio professional characteristics by transition

| | Stayers | Intracompany | Intercompany | Interprofession | Exit | Entry/Re-entry |
|---|---|---|---|---|---|---|
| **Number of transitions, share of the 2021 workers** | | | | | | |
| N (in thousands) | 13,221 | 1,284 | 756 | 1,797 | 2,439 | 3,118 |
| % | 67.8 | 6.6 | 3.9 | 9.2 | 12.5 | 15.5 |
| **Characteristics of workers** | | | | | | |
| **Age** | | | | | | |
| Avg. [Q1 - Q3] | 42 [33 - 52] | 41 [31 - 50] | 37 [27 - 46] | 34 [25 - 42] | 40 [26 - 56] | 33 [22 - 41] |
| **Seniority** | | | | | | |
| Avg. [Q1 - Q3] | 8 [1 - 13] | 8 [1 - 11] | 3 [0 - 4] | 3 [0 - 3] | 6 [0 - 6] | |
| **Sex** | | | | | | |
| Man | 69 | 7.2 | 3.7 | 8.5 | 12 | 14 |
| Woman | 66 | 5.8 | 4.1 | 10 | 14 | 17 |
| **Initial social category** | | | | | | |
| Company managt. | 63 | 17 | 0.6 | 3.6 | 16 | 14 |
| Executives | 73 | 7.8 | 3.4 | 7.8 | 7.7 | 8.5 |
| Middle managt. | 71 | 7.5 | 3.3 | 8.4 | 10.0 | 11 |
| White col. Work. | 62 | 5.4 | 4.4 | 12 | 16 | 22 |
| Blue col. Work. | 68 | 5.8 | 4.2 | 7.5 | 14 | 17 |
| **Initial sectors** | | | | | | |
| Construction | 68 | 8.8 | 2.8 | 7.6 | 13 | 14 |
| Industry | 76 | 8.0 | 2.0 | 5.8 | 8.1 | 8.9 |
| Services | 66 | 6.0 | 4.4 | 10 | 13 | 17 |
| **Initial work contract** | | | | | | |
| CDI | 74 | 6.8 | 3.5 | 7.2 | 8.5 | 9.3 |
| Others | 36 | 5.5 | 6.0 | 20 | 33 | 47 |
| **Initial work time** | | | | | | |
| Full time | 70 | 7.0 | 3.7 | 8.9 | 11 | 14 |
| Part time | 61 | 3.8 | 4.6 | 11 | 19 | 23 |
| **Initial working region** | | | | | | |
| IDF | 67 | 7.1 | 4.4 | 9.6 | 11 | 15 |
| Others | 68 | 6.4 | 3.7 | 9.1 | 13 | 15 |

Lecture: Workers who experience an intercompany transition are on average 37 years old. One quarter of them is less than 25 years old, another quarter is more than 42 years old. Among business leaders, 17% have made an intracompany mobility.
Notes: Shares are reported as a fraction of the population working in 2021, even the entry group who are absent in 2021 but present in 2022.
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

To get a better understanding of those transitions, we look into the characteristics of those who undergo them. Stayers are on average older than employees who move (42 vs 37 or 34 years old for respectively intercompany and interprofessional transition). Employees who change firms have lower seniority (3 years on average, compared with 8 years for stayers). Seniority differences become marked across age groups: older workers who move to a new employer have accumulated around 7 years of tenure on average, compared with only 4 years for workers aged 30–54 (see appendix Table 6). Senior workers have more tenure at their jobs; for everyone, staying with the same employer and experiencing an intracompany transition is associated with a longer tenure than workers who change employers or leave the labour market. However there is an exception for the exits of senior workers: they have about as much seniority as stayers. Looking at gender, women seem to be more mobile between firms than men. For example, among women, 10% have changed company and profession, this percentage is 8.5% among men. Intracompany transitions, within the same company, are more common among men (7.2% for men vs 5.8% for women).

Overall, stability increases with the socio-occupational status. In fact, intracompany mobility concerns mainly workers in company management roles, and white-collar workers are more likely to do interprofession transitions, as well as exits and entries. More generally, white collar workers are more likely to change employer, accounting for 35% of intercompany mobility (see in appendix Table 5). This pattern holds for younger workers and those aged 30–54. However, among seniors, the group with the highest rate of mobility is the blue collar workers: 38.6% of senior movers are

blue collar workers, compared with 30.7% among 30–54-year-olds. This may reflect the physical constraints associated with certain manual occupations, which become harder to sustain at the end of a career. Across sectors, mobility is most common in services. The share of the construction sector falls with age among workers (stayers, intracompany and intercompany), the only transition types where the share among 55-year-olds and older is higher than average is in exits and interprofession transitions, meaning they disproportionately leave this sector. We attribute this to specific working conditions difficult to withstand with age. Senior workers work more in the industry sector than younger workers, for all types of transitions including exits (see in appendix Table 7).

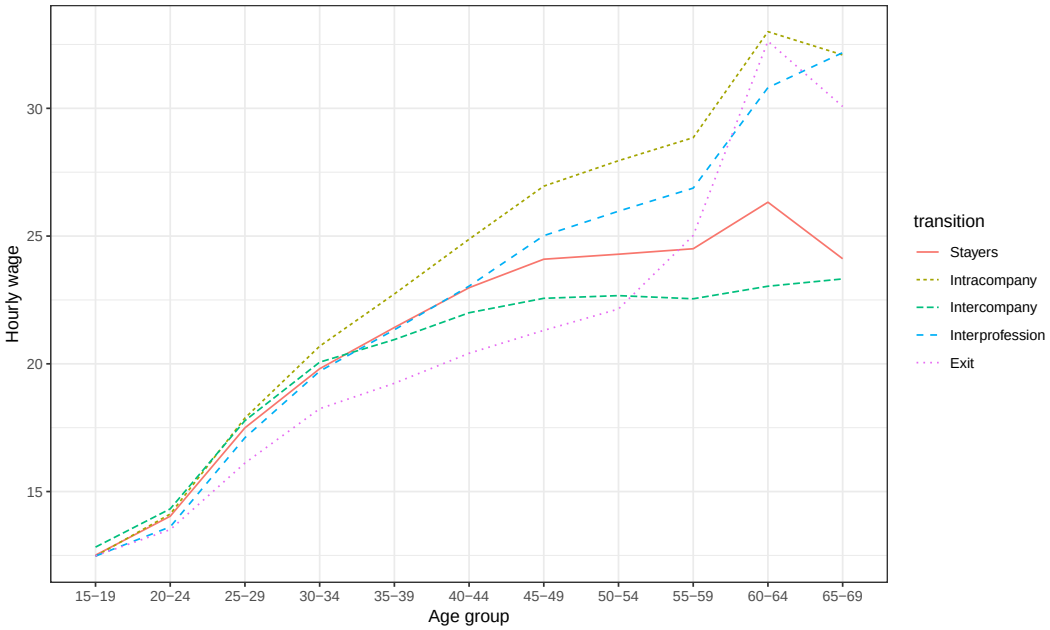
Table 1 provides a breakdown of transition types according to workers' initial contract type, working time, and region. Clear differences emerge depending on type of mobility. Workers on permanent contracts (CDI) are significantly more likely to remain in their company (74% are stayers), whereas only 36% of those on other contract types (e.g., fixed-term) remain. In contrast, transitions such as interprofessional mobility, exit, and entry/re-entry are much more frequent among non-CDI workers. Working time also appears to influence transition patterns. Part-time workers are more mobile across all transition types, with higher rates of intercompany transitions (4.6% vs. 3.7%) and interprofessional transitions (11% vs. 8.9%). Conversely, full-time workers are more likely to be stayers (70% vs. 61%). Regional differences are more limited. Workers in Île-de-France (IDF) are slightly less likely to remain in their company (67% vs. 68% in other regions), and slightly more likely to experience intercompany (4.4% vs. 3.7%) and interprofessional transitions (9.6% vs. 9.1%). For all age groups, not changing employer is more often associated with holding a full-time position, with an open-ended contract. Working in Ile-de-France (Paris region) facilitates intercompany and interprofession transitions, with no specific effect of age. The share of exiters leaving an open-ended contract is much lower for workers below 30 years old (42.9%) than the others (63.7% until 54 year old, 62.8% for senior workers). Workers who change employer and occupation are more frequently doing so from a full-time position when between 30 and 54 years old (see in appendix Table 6). In summary, working part-time, in a fixed-term contract and having a low wage are associated with higher mobility.

Are wage profiles by age different depending on the type of transition about to be done? Do workers leave their jobs because they are paid less (as suggested in Table 8, where stayers display higher wage levels than mover : 22 euros per hour compared to 20 euros for movers)? And is this pattern consistent across all ages?

Figure 3 addresses these questions by showing the initial average wage for each type of transition by age. As expected, wages generally increase with age across all groups, reflecting the accumulation of experience and seniority. Those who change occupation within the same company (Intracompany mobility) are, on average and at any age, better paid than others. Workers who change firms (Intercompany mobility), earn on average and at every age, less than their counterparts who remain with the same employer. However, what stands out is the relatively high wage level of those who undergo an Interprofession mobility after 45 years old. These population earn on average more than Stayers. This suggests that workers who eventually change both firm and occupation are initially concentrated in relatively well-paid positions, possibly due to higher qualifications or managerial responsibilities that make them more mobile across job boundaries, or these employees have had the opportunity to save enough to want to change careers and have taken on a job they enjoy, or accept lower pay for a better work life balance, or access less physically demanding jobs. Among these senior workers, two distinct groups seem to coexist: some change employers to seize better professional or financial opportunities, while others move maybe involuntarily, maybe for personal or lifestyle reasons, accepting substantial wage losses in return for less demanding or more flexible jobs. The fact that the mean lies close to Q3 (more details in annex, Figure 16) indicates a markedly right-skewed distribution. In such a case, a small group of individuals with very high values pulls the average upward. Given that the median wage of interprofession mobility is lower than that of stayers, highly paid workers who decide to change both employer and occupation do not constitute the majority among interprofession movers. Finally, those leaving the workforce before the age of 55 are paid less than other employees, reflecting a selection process for workers and greater job insecurity. However, after 55, due to retirement and the accompanying bonuses, their pre-exit wage increases considerably; this will be discussed in

annex 5.2.

Figure 3: Wage in 2021, by future transitions




Note: Between 50 and 55 year old, the 2021 salary is 24.3 €/h for Stayers, 27.9 for Intracompany, 22.7 for Interprofession, 26.0 for interprofession and 22.1 for exiters.
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

## 2.3 Age differences in professional mobility after controlling for job and worker characteristics

The descriptive statistics above show a declining profile of mobility with age, but it could be explained by other correlated characteristics (notably the type of contract). To better isolate the effect of age we estimate logit models of the probability to change employer and occupation (see Table 2). The logit estimates reveal a marked age gradient in profession mobility.

In the baseline specification (Model 1) of probability of changing company, younger workers are substantially more mobile. Workers under 30 are about three times more likely to change employer than those aged 40–49 (odds ratio: 3.1), while those aged 30–39 exhibit 1.5 times higher odds of mobility. Conversely, mobility declines sharply after age 50: the odds ratio falls to 0.75 for workers aged 50–55, 0.53 for those aged 55–59, and 0.52 for workers over 60. Introducing control variables, and notably the type of contract and seniority, in Model 2 reduces the age gradient at younger ages but does not change its overall pattern. The odds ratio for workers under 30 falls from 3.1 to 1.68, and most of the differences may be attributable to the introduction of tenure and type of employment contracts. Nevertheless, even after accounting for these factors, young workers remain significantly more mobile than the reference group. At older ages, mobility stays markedly lower, the 55-59 years old are 30% less likely to change company than the 40 to 49 years old (and 44% less likely for the more than 60 years old).

The probability of changing occupation, here defined as moving to a different socio-occupational category, is modelled in two situations: when changing firms and within the same firm. In both cases, the effect of age is similar and the likelihood of changing occupation decreases with age. Controlling for variables such as tenure, wage level, socio-occupational category, and region of work, we find that workers under 30 are 1.49 times more likely to change occupation when changing firms, whereas the odds ratio drops to 0.71 for older workers aged 55–59.

Overall, this section shows that mobility declines markedly with age. Senior workers are significantly less likely to change jobs or employers. The results point to a robust and quantitatively

Table 2: Logit Estimates of professional mobility

| | Modelling changing company | | Occupational change across firms | | Occupational change within firms | |
|---|---|---|---|---|---|---|
| | Among non-exiters | | Among movers | | Among stayers and intracompany | |
| Models | (1) | (2) | (1) | (2) | (1) | (2) |
| Intercept | 0.13 | 0.15 | 1.98 | 1.73 | 0.10 | 0.08 |
| age group (ref 40-49) | | | | | | |
| less than 30 | 3.10 | 1.68 | 1.60 | 1.49 | 1.16 | 1.15 |
| 30-39 | 1.50 | 1.19 | 2.19 | 1.19 | 1.12 | 1.12 |
| 50-55 | 0.75 | 0.88 | 0.85 | 0.85 | 0.87 | 0.89 |
| 55-59 | 0.53 | 0.70 | 0.70 | 0.71 | 0.78 | 0.80 |
| More 60 | 0.52 | 0.56 | 0.59 | 0.60 | 0.72 | 0.74 |
| seniority | | 0.92 | | 1.00 | | 0.99 |
| quantile (ref. Q2) | | | | | | |
| Q1 | | 0.97 | | 1.11 | | 0.85 |
| Q3 | | 0.99 | | 1.03 | | 1.12 |
| Q4 | | 1.24 | | 1.12 | | 1.30 |
| sex (ref. man) | | | | | | |
| woman | | 1.00 n.s. | | 0.96 | | 0.91 |
| CS (ref. executives) | | | | | | |
| comp. Managt | | 0.22 | | 2.94 | | 2.30 |
| middle managt. | | 1.12 | | 1.11 | | 1.11 |
| white col. Wok. | | 1.38 | | 1.17 | | 1.11 |
| blue col. Wok. | | 1.24 | | 0.67 | | 0.87 |
| sector (ref. services) | | | | | | |
| construction | | 0.80 | | 1.59 | | 1.47 |
| industry | | 0.69 | | 1.61 | | 1.23 |
| contract (ref. cdi) | | | | | | |
| others contracts | | 2.79 | | 1.44 | | 1.68 |
| working time (ref. ful time) | | | | | | |
| part time | | 1.13 | | 0.86 | | 0.79 |
| working region (ref. other) | | | | | | |
| idf | | 1.13 | | 0.94 | | 1.07 |
| Pseudo-R2 | 0.05 | 0.17 | 0.02 | 0.05 | 0.00 | 0.02 |
| Observations (thousands) | 17,057 | | 2,552 | | 14,505 | |

Note: (1) Baseline Model (2) Model with Controls. The reported coefficients are odds ratios from logit regressions. All coefficients are statistically significant at the 1% level. When this is not the case, results are reported as "n.s." (not statistically significant), or the corresponding significance level is indicated. The reference age group is 40–49 year old. In the baseline model, workers under 30 have 3.10 times higher odds of changing company than those aged 40–49. This gap narrows after introducing control variables: they then have about 1.7 times higher odds than the reference group. Conversely, individuals aged 55–59 have about 47% lower odds than those aged 40–49 in the baseline model. The differences remain after including controls, although they are reduced.
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

stable age gradient in professional mobility. Even after controlling for many socio demographics characteristics, senior workers particularly remain the least mobile group. The lower mobility of older workers therefore cannot be explained solely by differences in wages, gender, occupation, industry, region and working time suggesting the presence of structural age related factors shaping mobility behaviour.

# 3 Senior workers benefit less from career mobility in wages

## 3.1 Rewards to mobility decrease with age...

As highlighted in Bour et al. (2024), wage progression is one of the primary motivations for changing employer. However, short-term wage gains following mobility may appear limited due to institutional features of the labour market and contract termination rules. In particular, movers often do not receive bonuses or incentive payments during their first year in the new firm, mechanically reducing their measured annual earnings in the year immediately following mobility (here, between 2021 and 2022). To mitigate this mechanical effect, we measure wage growth over a longer horizon, comparing earnings in 2021 and 2023, i.e. two years after mobility. This approach allows post mobility earnings to better reflect the worker's new wage trajectory once compensation has stabilised.

An opposite bias may nevertheless arise. Earnings in the year of mobility can be temporarily inflated by severance pay and contract termination payments, which mechanically raise annual

earnings and may artificially depress subsequent wage growth if the mobility year is used as the baseline. In the BTS, the wage variable is calculated to include all those forms of earning, with no possibility to separate them. One way to address this issue would be to compute wage changes using the year preceding mobility as the reference (e.g. comparing 2020 and 2023). This option was not retained due to the specific economic context of 2020; the implications of this choice are discussed in more detail in Annex 5.3.

Using the two-year horizon (2021–2023), wage gains appear more substantial, although movers still lag behind stayers. Stayers experience average wage growth of 5.5%, compared with 4.4% for intercompany movers. Workers who change occupation perform relatively well (6.4%), though not as well as stayers who benefit from an internal promotion (+8.4%).

Is there a specificity for senior workers? Figure 4 presents the returns to mobility for each 5-year age group. We observe that, no matter the type of transition, returns decrease with age. Overall, wage returns tend to decline with age, reflecting the well known concave shape of the age earnings profile. However, in late career, this decline differs by type of transition. Among stayers and workers changing occupation within the same firm, wage growth remains positive, suggesting that continued tenure provides some protection against wage stagnation. In contrast, for workers changing employers, whether they also change occupation or not, wage returns decrease more sharply with age and for most turn negative after 45 years old. This pattern indicates that, while wage dynamics flatten for all workers, remaining with the same employer still offers comparatively better outcomes at older ages. The more one progresses in her professional career, the less profitable mobility becomes.

This average pattern, however, conceals substantial heterogeneity in wage at late-career. From age 55 onwards, a clear dichotomy emerges among workers changing both company and occupations. While the median wage return turns negative, the upper quartile remains positive, indicating that a significant minority still achieves substantial wage gains despite the overall decline in returns. At the same time, the lower tail of the distribution deteriorates markedly, especially after age 60: half of them loose more than 10% of their previous wage, almost a quarter of them loose more than 40%, compared with more than 20% for one quarter of workers aged 55 to 59.

## 3.2 ... but their magnitude varies by socio-professional category and income quantile

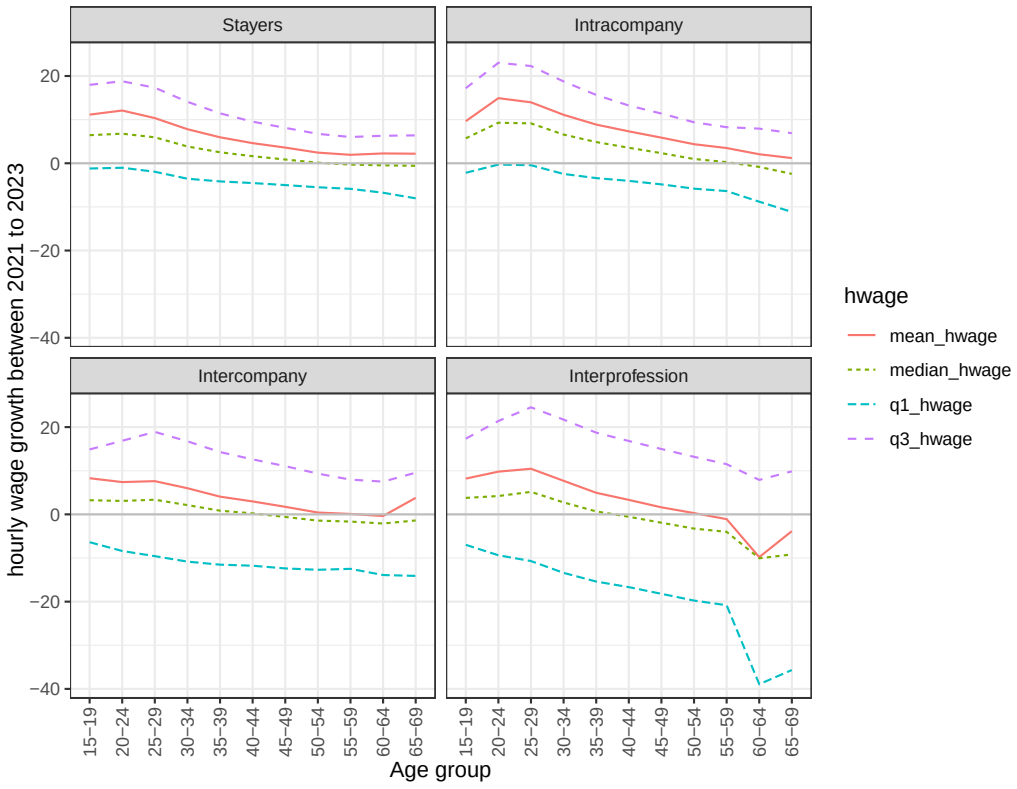
The findings differ significantly across socio-professional groups, highlighting strong heterogeneity in mobility patterns and associated wage. The Table 11 in annex show that executives are the only ones who manage to reach the wage level of their counterparts who remain with the same employer when they change firms: two year after transition, they earn on average 9.2% vs. 7.1% for their stayer counterparts. However, they experience larger losses when switching to a different occupation. In contrast, white and blue collar workers benefit more from inter-occupational mobility, which allows them to improve their wages.

Similarly, the initial position in the income distribution determines the level of wage loss and the type of mobility most beneficial for workers. The minimum wage has a protective role, mitigating wage loss for every type of transition. Workers initially in the lowest paid quarter benefit the most from an interprofession mobility. Oppositely, the highest paid workers stand to lose the most (+20.4% of wage gain at two years for below Q1 workers, instead of -9.8% for the above Q3).

These results are valid and even more accentuated by limiting the population to only executives and business leaders (figure 5). The wage loss profile is more pronounced for them than for white and blue-collar workers. Table 11 in appendix shows that senior executives changing companies and professions can lose up to -6.4% compared to -5.1% for middle management and +0.4% for white collar workers.

In the same vein, the position of the worker in the wage distribution determines the level of loss and the type of mobility most beneficial for workers (Figure 6). In lower wage deciles, it is easier to achieve larger relative wage increases and the minimum wage plays the role of a safety net that limits wage loss. But whatever the position in the distribution, wage gains remain decreasing with age, just with a less steep slope for the bottom of the distribution (Q1 and Q2). This corroborates the existence of two groups within these workers who undergo voluntary interprofession mobility: those who are less paid and for whom changing jobs is a way to improve

Figure 4: Wage gain or loss at two years by transition with age (% in constant euros)

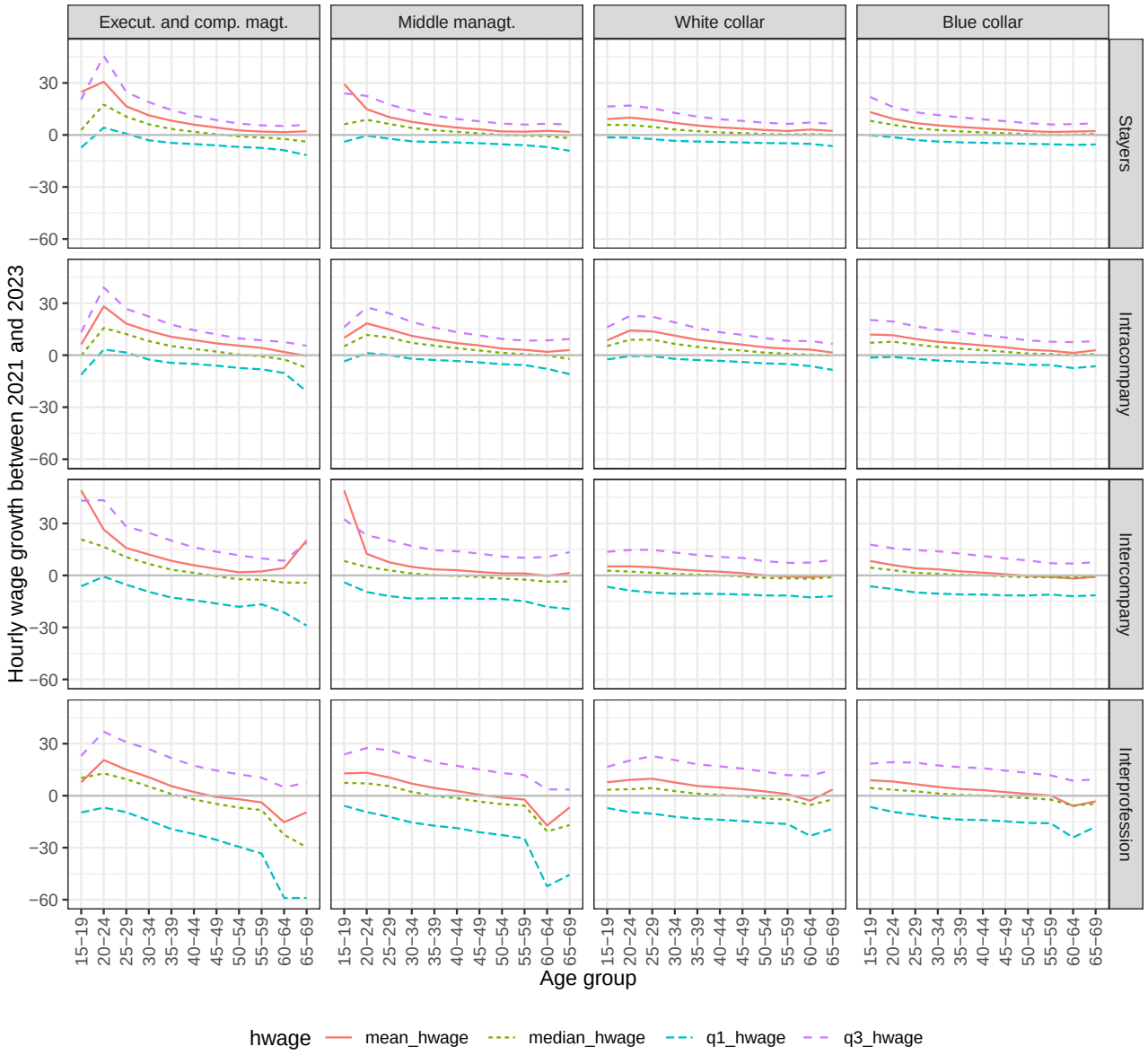



Note: Two years after transition, wage growth decrease with age. For intercompany transitions, the average remains above 0 (at between 55 to 59 years old, workers who endergo an intercompany mobility ear on average +0.1%). But, for interprofession mobility, wage loss for seniors is very significant (between 55 to 59 years old they lose -4.0%.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2022 and 2023

their wage, which concerns many of the younger workers, and those who are better paid and change jobs for reasons other than a salary increase, such as personal or health reasons, which rather concerns the older workers. *A priori*, all ages are also concerned by imposed end of contracts, for them the transition outcome reveals their bargaining power on the labour market. We will see this hypothesis in the figure 6, when for workers in the upper quartile (Q4), both Intercompany and Interprofession mobility systematically entails wage losses across all age groups. This suggests that mobility at higher income levels is often associated with downward adjustments, possibly reflecting career reorientations or transitions toward less demanding positions perhaps for health reasons.

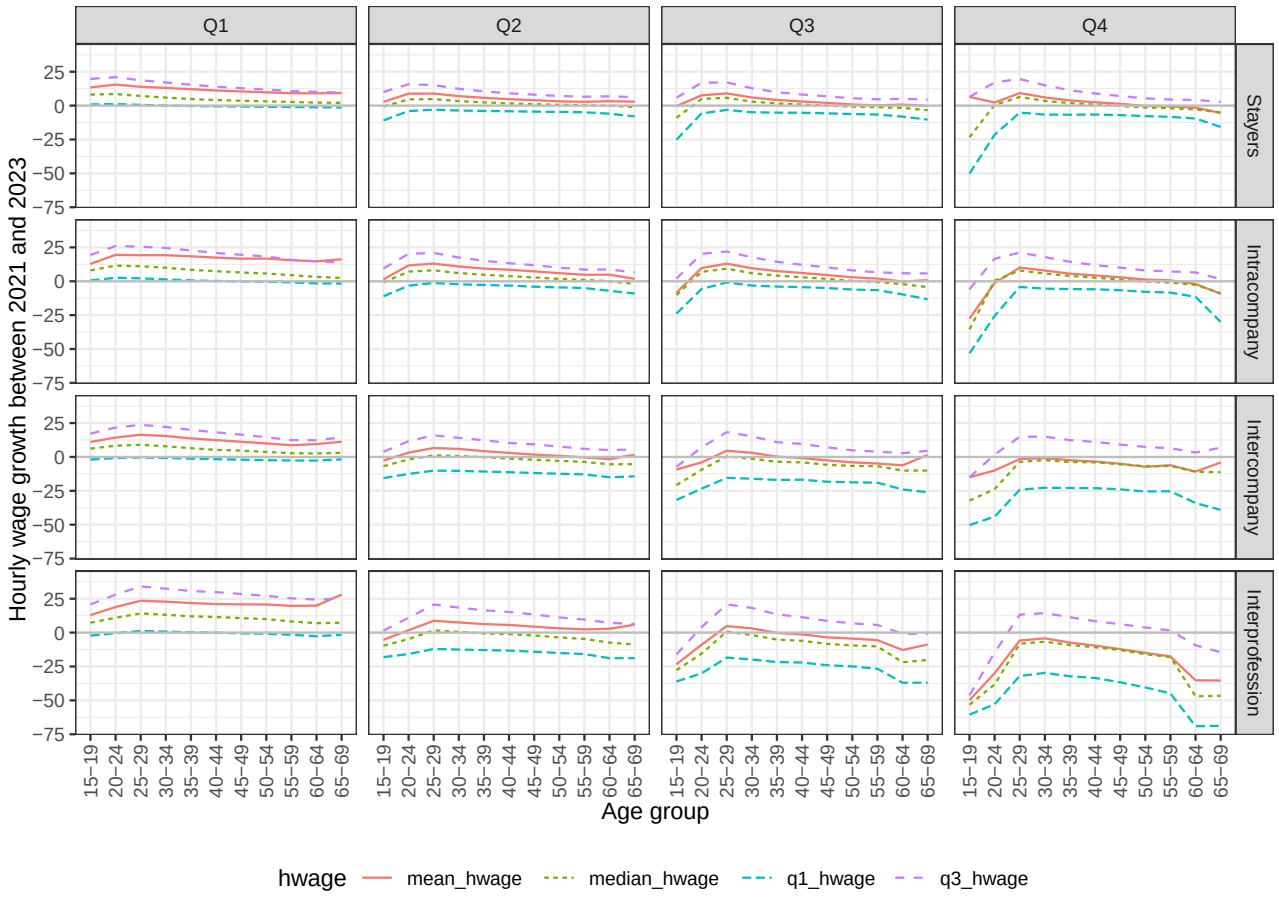
In summary, the wage growth associated with mobility decreases with age and becomes strongly negative toward the end of the career, particularly for higher-paid workers. This raises an important question: is it because mobility does not provide significant financial incentives that we see less career transitions among older workers ? Or is it that they have in average a strong distaste for mobility, and the workers who perform them only do so out of constraint, from a disadvantaged point in the labour market ? The following section therefore examines the specific features of senior mobility, in order to better understand the mechanisms and constraints shaping these transitions.

Figure 5: Wage gain or loss at two years by socio-occupational categories and age




Executives lose much more when they change companies and occupation, and this loss increases with age. Unlike white and blue-collar workers for whom even if the wage loss decreases with age, the slope is very slight or almost stable. Between 55 and 59 years ald, an executives who endergo an interprofession mobility loss -3.9% compared to +0.3% pour a white and blue collar worker.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2022 and 2023

Figure 6: Wage gain or loss at two years by initial quartile and age



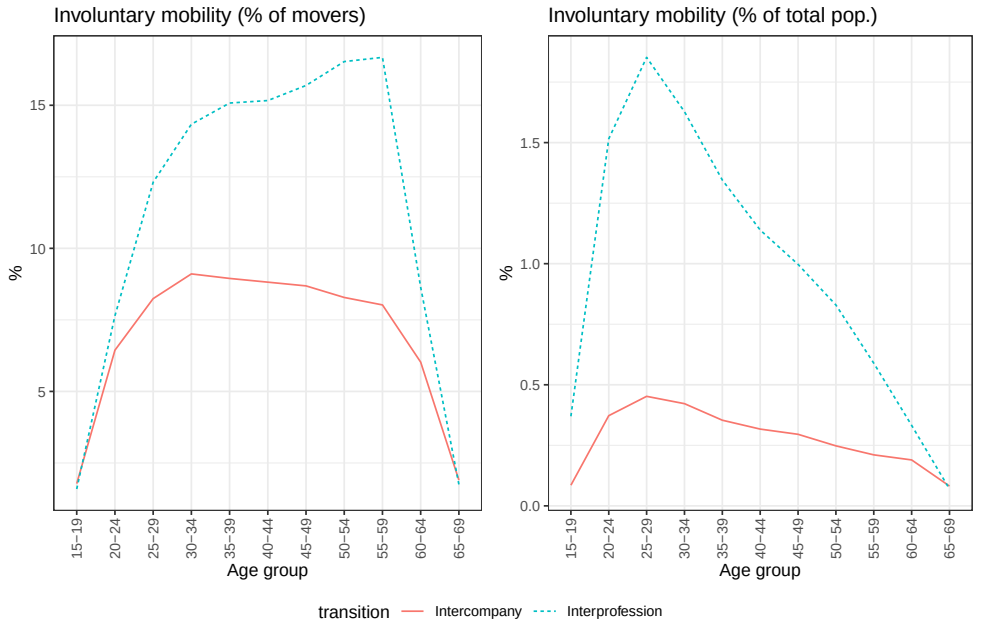

Note: For the first and third quartile, wage changes are quite different depending on age. For the bottom of the distribution, the minimum wage limits wage reductions for Q1, but these employees struggle to move up the wage scale without an interprofession mobility. Between 55 and 59 years old, an employee between Q2 and Q3 who changes company and profession loses on average -5.6% while an employee below D1 who makes the same transition gains on average +19.7.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2022 and 2023

# 4 What are the specificities of senior workers' mobilities ?

## 4.1 Imposed mobility, more frequent and more costly for senior workers

The share of mobility likely to be imposed among workers leaving open-ended contracts increases with age for interprofessional mobility (figure 7), while it is relatively stable for intercompany mobility. In volume, though, younger workers experience more likely involuntary transitions (and likely voluntary ones), because overall mobility is particularly low late in the career. At the very end of the career, past 60 years old, the share of both likely voluntary and imposed mobility fall (first panel), reflecting a decline in mobility from open-ended contracts. Most workers above 62 years old are eligible for retirement pension.

Figure 7: Share of workers who have undergone likely imposed mobility by age

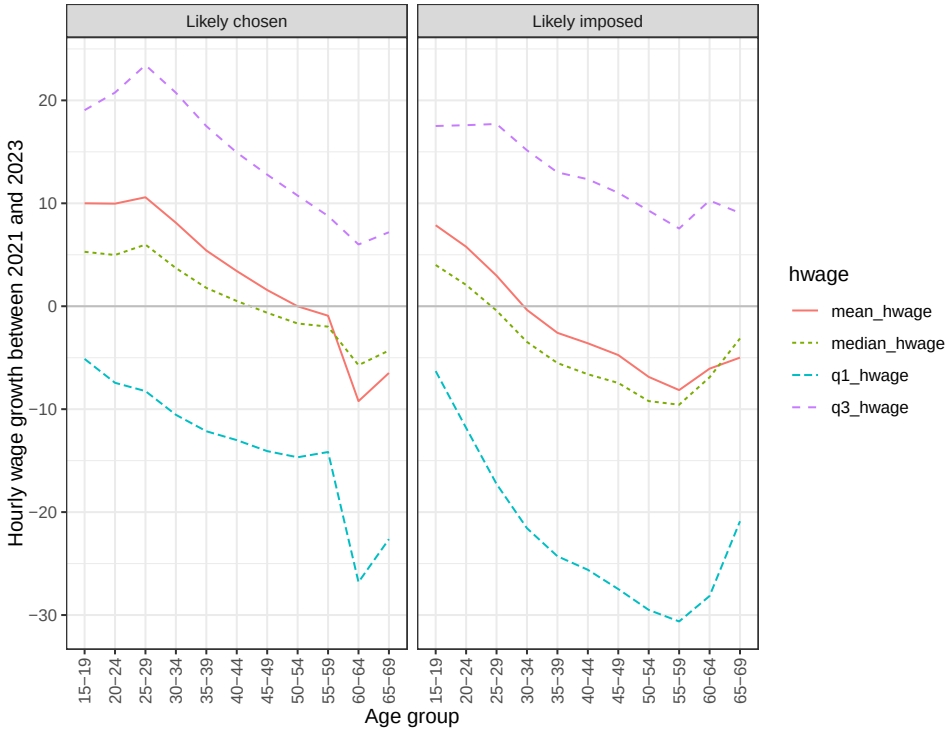



Note: Between 35 and 39 years old, among employees who have left a permanent contract, and who have changed company (Intercompany), 8% of them seem to have undergone involuntary mobility. Among the Interprofession, this percentage is higher and stands at 15%. When compared to the entire population, this percentage is only 1.3%.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old and leaving an open-ended contract.
Source: Insee, bases Tous Salariés 2022 and 2023

Predictably, wage growth is higher (or wage loss is smaller) for likely chosen transitions. The difference in wage evolution between voluntary and imposed transitions is even greater for older workers. After age 55, whether mobility appears voluntary or involuntary, it is generally associated with a wage decrease. However, the magnitude of these losses is considerably greater when the transition is likely to be involuntary. Moreover, throughout most of the career, except at the very beginning (before age 30), involuntary mobility most often entails a wage loss.

We suspect some transitions we identified as likely imposed were in fact voluntary temporary unemployment spells before changing jobs. It is more likely to be the case for the groups most likely to benefit from career mobility, for whom temporary unemployment is less risky: the younger workers. In that case, the share of likely involuntary mobility among movers should increase more with age. If we further assume that those false likely imposed transitions are associated with higher wage growth than the true ones, it means that the decrease of wage growth with age for likely chosen transitions is currently underestimated, while the curves in the likely imposed panels should be more U-shaped, with smaller wage growth between 25 and 45 years old.

Figure 8: Gain or loss wage when mobility seems to be imposed or chosen



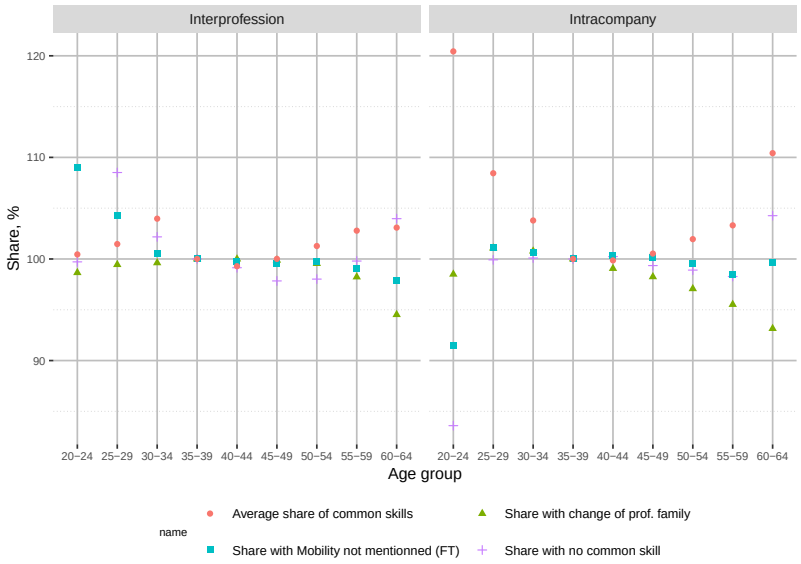

Note: Voluntary mobility reduces wage loss. This later increases with age, especially when mobility seems to be imposed. Between 55 to 59 year old, when mobility seems to be voluntary, losses related to mobility are much less significant (-0.9%), whereas they reach -8.1% when mobility seems to be involuntary.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old and leaving an open-ended contract.
Source: Insee, bases Tous Salariés 2022 and 2023

## 4.2 Rewards to mobility distance decrease with age

Within interprofession and intracompany transitions, workers can switch between two similar occupations or two completely different ones. This distinction matters when comparing younger and senior workers, as senior workers could be more specialised due to experience, and thus have higher adaptation costs. This is why we defined several ways of identifying pairs of occupations that are far from each other in the skill space in section 1.3. Those definitions are differently strict in their classification: a change of professional family (common occurences include switching between professional family L5Z90 (Administrative, accounting and finance managers (excluding lawyers)) and H0Z90 (Engineers and manufacturing and production managers), or between G1Z70 (maintenance and environmental technicians and supervisors) and B1Z40 (skilled workers in civil engineering, concrete and mining)) is rather common and can involve occupations that look more alike than a transition not listed as a common occupational transition by France Travail, and occupations with zero skill in common (many transitions between PCS starting with 46 and 62, respectively Intermediate administrative and commercial roles within companies and Skilled industrial workers, or between PCS starting with 54 and 63, respectively Corporate administrative staff and Skilled craft workers are even more distant. This section extends the analysis to the frequency of those long-distance transitions, and their effects on wages.

When changing job role (PCS4) within the same organisation, it is uncommon to switch to an occupation with a drastically different skill-set requirement: while about 81% of intracompany transitions are done with a change of professional family, only 41% of occupation-to-occupation transitions does not correspond to something mentioned by France Travail as a possible career move, and 15% of intracompany transitions are between occupations with no skill in common. This profile varies with age: the peak in "long distance" transitions within a company happens between 25 and 45 years old, after that their share decreases until retirement age. Between 55

Figure 9: "Long distance" mobility with age




Note: Compared to workers between 35 and 39 years old experiencing an interprofessional transition, the share 25-29 years old changing of profession to one with no common skills is 8.7% higher.
Coverage: Workers employed in private non-agricultural companies
Source: Insee, bases Tous Salariés 2010 to 2022

and 59 years old, workers are 4.5% less likely to change professional family than 35 to 49 years old during an intracompany transition (figure 9) (a variation larger than the decline in intracompany transitions between those groups).

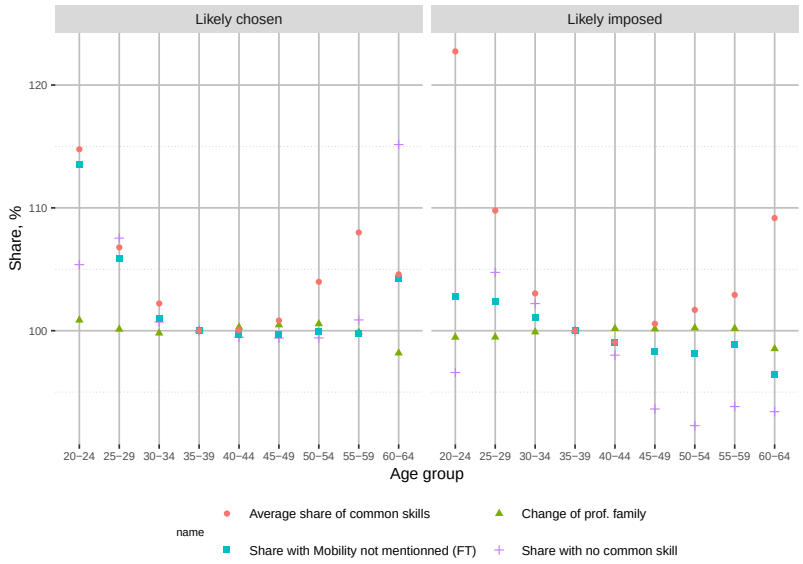
When changing both employer and occupation, long-distance transitions are a little more frequent. In average, 85% of interprofession transitions correspond to a change in professional family, 47% are not mentioned by France Travail as a potential career move, and 18% are between jobs with no skill in common. Again, this varies by age: the share of interprofession transitions not mentioned by France Travail declines between 15 and 30 years old, and again between 55 and 69 years old with a plateau in between. The share of changes in professional family is stable until 59 years old, then declines. Together with the decline of interprofession transitions among changes of employers (which largely dominates the phenomenon), overall mobility decreases with age. Additionally, the average share of common skills between the before and after occupations rises after 50 years old, which can both be read as less long-distance mobility, and/or the fact that, for many, the skills accumulated at this stage of the career are generally more transferable.

A big change in task content might not be voluntary. Workers doing an interprofession transition from an open-ended contract are more likely to exercise a new job further from their previous one in the skill space when the transition is likely imposed. Between 35 and 39 years old, among likely chosen interprofession transitions, 87.7% change of professional family, 46.4% perform a job mobility not mentioned by France Travail, and 16.7% start in a new occupation with no skill in common with the previous one. Those numbers are respectively 89.3%, 52.7% and 20.8% in the case of likely imposed transitions.

While long-distance mobility declines with age for all measures in the likely imposed transitions (figure 10), among likely chosen transitions a decline of changes of professional family coexists with a rise in switch to occupations with no common skills or mobility not mentioned by France Travail. The transitions with the greatest skill distance, with no common skill, is more frequent for 60 to 64 years old compared to younger workers among all interprofession transitions. They are all accounted for in the likely voluntary transitions only. Those results are exhaustive, but on a very small share of workers (among each age group, only workers leaving an open-ended contract to change both employer and occupation): they only inform us about the possible motivations behind the observed transitions.

When transitioning into a new work role, the ability to exploit skills and knowledge previously

Figure 10: Distance and voluntary mobility among interprofession transitions




Note: Compared to workers between 35 and 39 years old experiencing a likely chosen transition with changes of both employer and occupation, the 60-64 years old switch to a new occupation with no common skill 15% more.
Coverage: Workers employed in private non-agricultural companies in open-ended contracts, changing occupation and employer.
Source: Insee, bases Tous Salariés 2010 to 2022

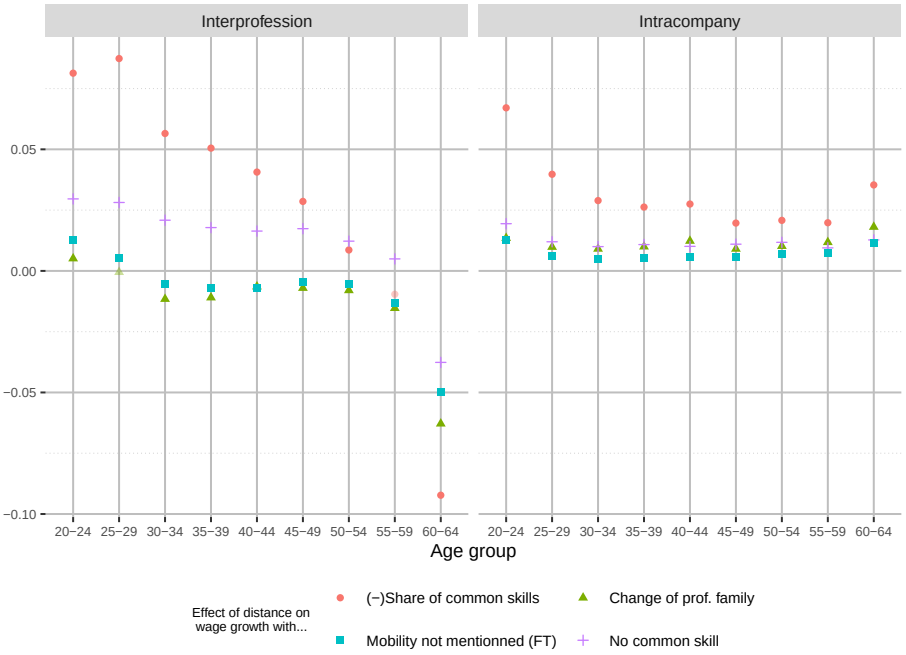
acquired should help, and one can expect a lesser wage penalty. On the other hand, for some workers, entering a completely new occupation or industry might be necessary to reach a high-paying job. There is a literature documenting that displaced workers who switch industries (Neal (1995), Parent (2000), Carrington and Fallick (2017), Kletzer (1998)) and/or occupations (Kambourov and Manovskii (2009)) suffer larger earnings losses and that task and occupational skill distance is an important determinant of wage losses (Poletaev and Robinson (2008), Gathmann and Schönberg (2010), Nawakitphaitoon and Ormiston (2014)). We find that this penalty, visible for likely imposed transitions, also applies to likely voluntary transitions after 60 years old.

When comparing "long distance" transitions to closer ones and their effects on wage growth in interprofession transitions, first panel of figure 11, one can see that, it is in average advantageous to seek new roles far from the previous one only before 30 years old, in the exploration and establishment stages, after which the effect becomes negative in the case of a change of professional family or mobility not mentioned by France Travail, and declines in the case of an occupation with no common skill. Income-wise, senior workers do not benefit as much from job-to-job transition as younger workers, and they benefit less if the realised mobility is identified as distant (the rewards slowly decline with age, with a more substantial drop past 60 years old). This can explain why those career transitions become rarer in late career (although the difference is small compared to the average wage gains for the corresponding transitions). For intracompany transitions however, second panel of the same figure, the effect is almost always positive. Endorsing a new role within the same firm can for instance be receiving a promotion, which comes with a raise.

The difference in wage growth between long distance transitions or close transitions does not vary statistically significantly with age, for both likely imposed and voluntary transitions (at 95% confidence, figure 12). The effect of distance on wage change is relatively stable between 25 and 55 years old for likely imposed mobility and its sign changes according to the distance measure. For likely voluntary mobilities however, the effect is positive and declining with age until 35 years old for all measures. For the (negative) share of common skills it also declines continuously until 60 years old, after which it drops into negative values. The likely voluntary transitions to very different occupations seen previously were then probably not motivated by wage growth perspectives.

In summary, senior workers are less likely to perform a long-distance interprofession transition. For the 55-59 years old, there is no gain to distance, while for the more than 60 years old, doing

Figure 11: Effect of "skill distance" on hourly wage gain, by age group and change of employer




Note: Among workers between 60 and 64 years old experiencing an interprofessional transition, those who make a transition not mentionned as a common occurence by France Travail experts have a wage growth 0.05 percentage points inferior to those who transition to a closer occupation.
In the linear regression wage growth = distance*age bin + age bin, with year fixed effects, coefficients of distance*age bin. Points are transparent if they are not statistically significantly different from 0 for a 95% confidence level. Apart from the youngest age group, close to all points are statistically different from a 40 to 44 years old reference group, allowing to comment the trends.
Coverage: Workers employed in private non-agricultural companies changing PCS between years t and t+1, still employed in t+2 (and t+3 for if above 55 years old in t).
Source: Insee, bases Tous Salariés 2010 to 2022

a long-distance interprofession mobility means losing more in hourly wage than staying within their skill set. The minority of senior workers changing drastically of occupation appear to do so willingly during likely chosen changes of employers, accepting the wage loss.

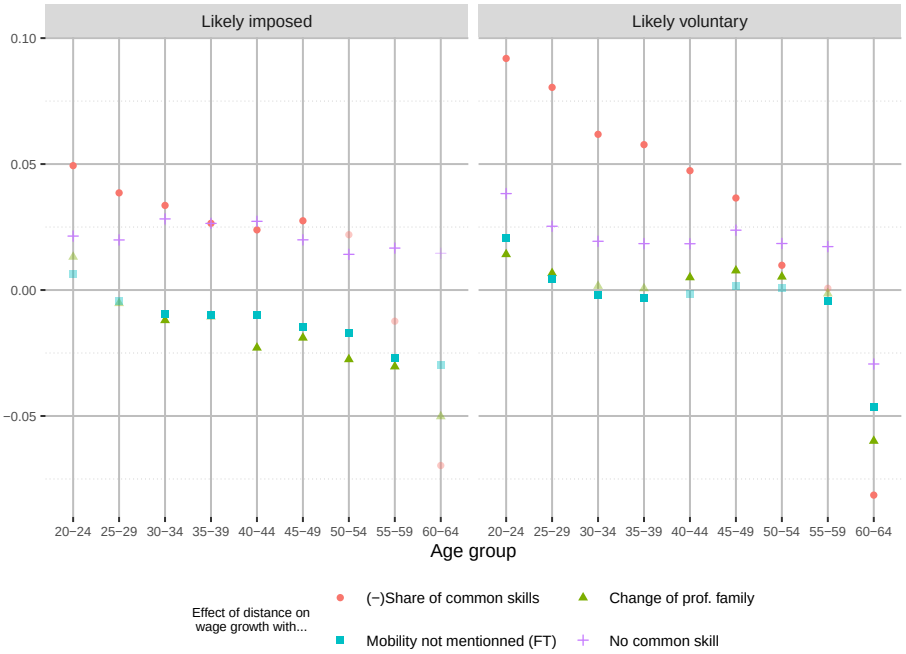
## 4.3 Interprofession transitions to higher paying jobs are less frequent with age

All the transitions undertaken with an hourly wage loss lead to the question of what motivates them. Beyond the possibility of an increased working time described above, a trade-off with non-wage amenities (being closer to home, standard or flexible work schedule, a safer environment, compatibility with health conditions) is part of the explanation. Another motivation we study in this subsection is that the workers might be trading a temporary loss in revenue against a higher wage growth in the future, for instance entering the lower end of the income distribution of an occupation that in average pays higher than their previous job.

Higher future wage growth planning supposes time to compensate the short-term loss with long-term gains, so we expect that it might be more frequent among younger workers. Figure 13 confirms that intuition. Among workers who experience an intercompany or interprofession transition, the share of workers who go to an occupation which in average pays at least 5% less than their initial occupation is stable. However the share of workers going to an occupation that pays at least 5% more in average steadily declines with age. Instead, workers increasingly do not change PCS when changing employers (rather than going to occupation that pay less or similarly in average): the major decline in interprofession transitions with age is, in part, a decline in transitions to a higher-paying job.

If a worker starts at a higher-paying job in average, does she starts among the lowest paid within

Figure 12: Effect of "skill distance" on hourly wage gain (2-year horizon), by age group, for likely voluntary or likely involuntary transitions

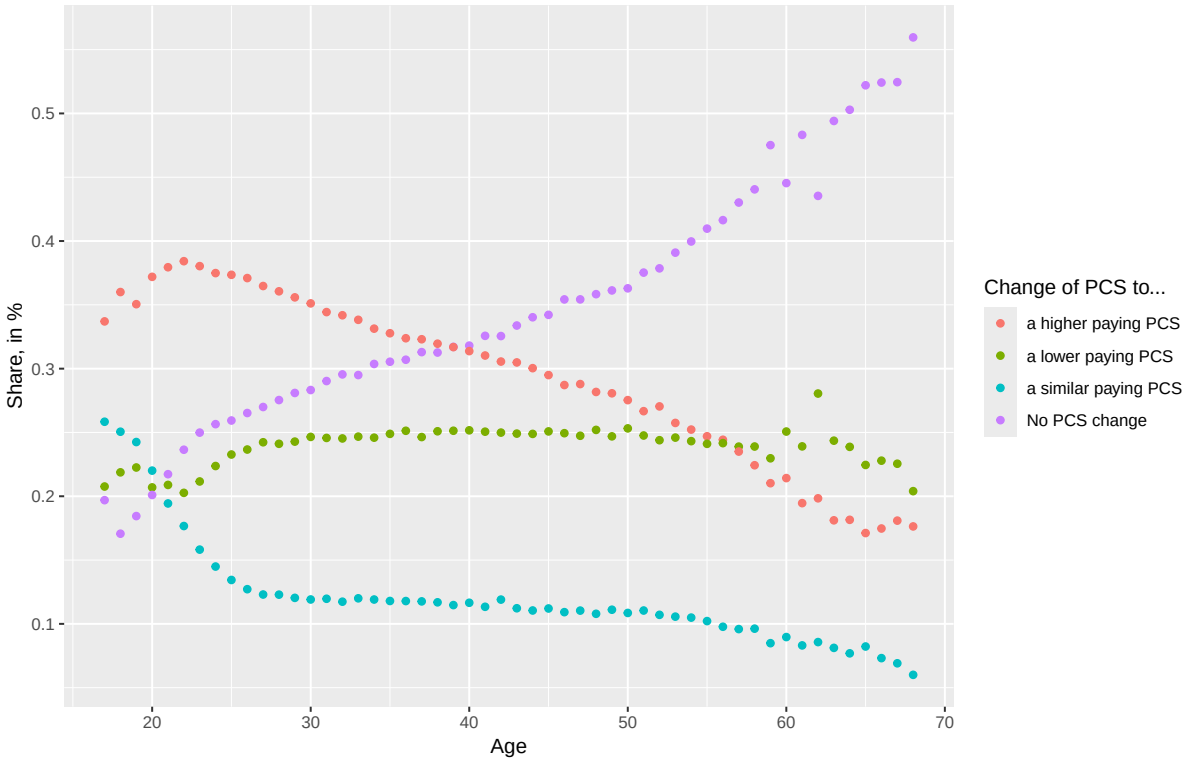



Note: Among workers between 60 and 64 years old experiencing a likely imposed interprofessional transition, those who change professional family have a two-year wage growth inferior of 0.05 percentage point compared to those who do not. In the linear regression wage growth = distance*age bin + age bin, with year fixed effects, coefficients of distance*age bin. Points are transparent if they are not statistically significantly different from 0 for a 95% confidence level.
Coverage: Workers employed in private non-agricultural companies leaving open-ended contracts between years t and t+1, still employed in t+2 (and t+3 for if above 55 years old in t).
Source: Insee, bases Tous Salariés 2010 to 2022

this profession ? Oppositely if a worker starts in a lower-paying job in average, does she compensate her loss by entering the wage distribution of this occupation in the higher end ? Tables in the first panel of figure 14 inform those different possibilities when workers change of employers: workers who do not change occupation (intercompany) may move up or down in the income distribution (mainly going to the tercile directly above or below), but by definition their occupation pays in average the same. 38.2% of them stay in the same position within the wage distribution, 15.3% of them move from the lowest third to the middle third of the distribution, or from the middle to the highest, because their wage increased more than the wages of other workers in the same profession. 14.5% of them move to a lower third of the distribution. On the other hand, workers who change both occupation and employer have a trade-off between their rank in the income distribution (by occupation) and how high-paying their occupation is in average: 12.6% have a new occupation that pays more in average and move down to a lower third in the wage distribution, 8.2% go the opposite way and have a new occupation that pays less in average but they enter it by the upper end of the wage distribution while they were in their previous profession in a lower tercile.

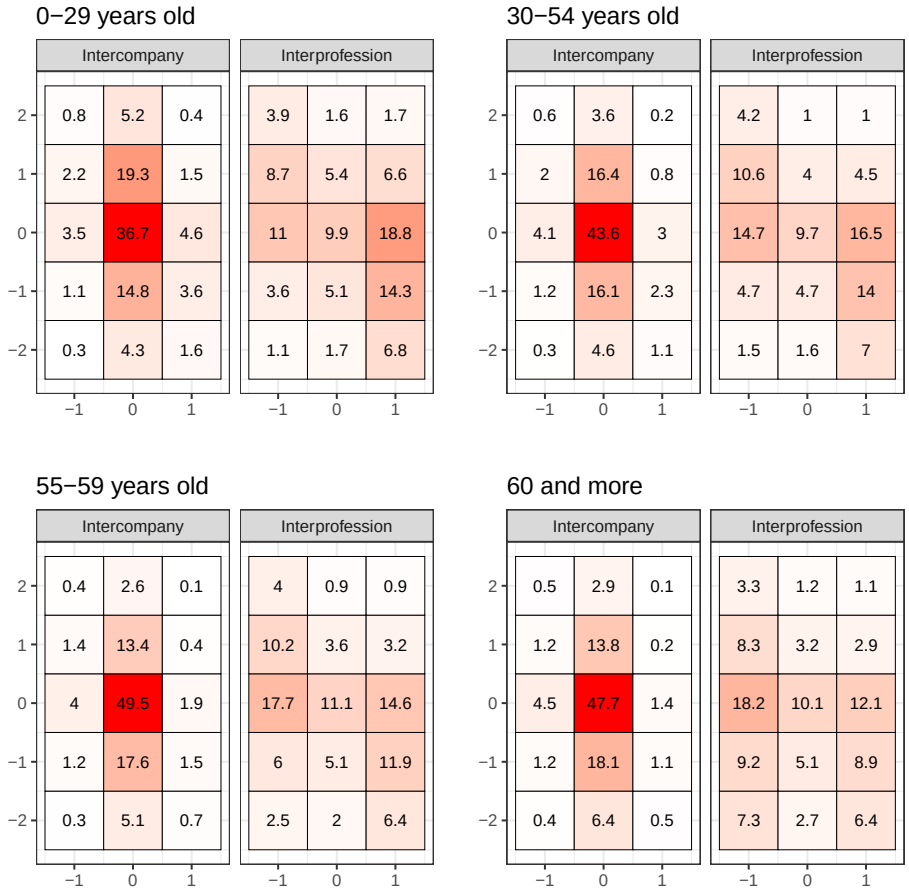
From the other three panels we learn that younger workers are the age group most likely to make a transition advantageous in both ways, going to a higher paying job and being among the better paid in the new occupation. With age, more workers in proportion take a new occupation that pays less in average, and over 55 years old they are more susceptible to loose in the position in the wage distribution as well (3.5% of workers over 55 years old doing an interprofession transition go simultaneously from the highest third in the wage distribution to the lowest, while going to an occupation that pays less in average, only 0.9% of workers below 30 years old did the same).

Figure 13: Changing to a higher or lower paying job




Note: Among workers who change employers at 45 years old, 34.2% do not change PCS (intercompany), 29.5% join a higher paying job and 25.1% join a lower paying job. Two PCSs are similar paying if they have less than 5% difference in their average wage.
Coverage: workers changing companies between 2021 and 2022, one of which being private and non-agricultural
Source: Insee, base Tous Salariés 2022

Figure 14: Change of job and of tercile in the wage distribution: all age groups




A worker is in column +1 (resp -1) if their occupation after the transition pays in average more than 5% more (resp. less than 5% less) than their job before. They are in line 2 if they move from the lowest third of the income distribution of their initial occupation to the top third of the income distribution of their target occupation, in line 1 if they move from lowest to middle or middle to highest. 13,1% + 6,6% of workers having an interprofessional mobility go to an occupation that pays more but occupy a lesser rank in the income distribution.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2022 and 2023

## 4.4 Senior workers are more likely to change from full to part time arrangement

For those for whom mobility and job choice are primarily wage growth-motivated, there is another channel to increase one's income: to increase one's working time. Transitions from part-time (P) to full-time (F) positions are particularly noteworthy in this regard. As shown in Table 3, among workers changing employers within the same professional domain (intercompany), 7.8% moved from part-time to full-time jobs. This proportion is even higher (13.5%) for those switching both employer and professional domain (interprofession). These figures are significantly higher than those observed among stayers (1.6%) or those changing occupation within the same company (3.2%). These percentages are much higher for young workers than for seniors. This suggests that, for young workers, employer mobility is an important lever for part-time workers to access full time employment and, consequently, increase their total earnings. In contrast, the high proportion of older workers who change jobs to reduce their working hours supports the idea that changing firm is not always driven by financial motives for seniors when it is voluntary, and/or that they struggle to find full-time employment after an imposed mobility. After age 55, 13.8% of seniors who changed both employer and occupation, reduce their working hours following the transition, compared with

6.4% among those who changed employer only and 1.9% among stayers. Working part-time is even more frequent among workers older than 60 years old: 28% of 60+ stayers change from full-time to part-time, 24.8% for interprofession transitions. These figures suggest that, for older workers, professional mobility reflects an adjustment in working conditions, a search for better work–life balance, reduced physical strain, or a gradual transition toward retirement, rather than a pursuit of higher earnings like younger workers.

Table 3: Change in working time by age and transition

| transition | transition | All | less than 29 | 30-54 years | 55-59 years | 60 and more |
|---|---|---|---|---|---|---|
| Stayers | F-F | 83.3 | 82.6 | 84.5 | 81.0 | 68.4 |
| | F-P | 1.5 | 1.7 | 1.4 | 1.6 | 28 |
| | P-F | 1.6 | 2.5 | 1.5 | 1.0 | 1.4 |
| | P-P | 13.6 | 13.2 | 12.7 | 16.4 | 27.4 |
| Intracompany | F-F | 85.0 | 86.1 | 85.5 | 82.2 | 68.2 |
| | F-P | 2.6 | 2.6 | 2.5 | 3.0 | 6.6 |
| | P-F | 3.2 | 4.5 | 2.9 | 2.4 | 3.3 |
| | P-P | 9.2 | 6.8 | 9.2 | 12.4 | 21.8 |
| Intercompany | F-F | 73.0 | 73.7 | 74.0 | 65.5 | 48.0 |
| | F-P | 5.8 | 6.4 | 5.4 | 5.6 | 10.5 |
| | P-F | 7.8 | 9.5 | 7.0 | 6.2 | 7.0 |
| | P-P | 13.4 | 10.3 | 13.7 | 22.8 | 34.5 |
| Interprofession | F-F | 71.3 | 66.1 | 76.2 | 66.9 | 42.7 |
| | F-P | 8.4 | 9.4 | 7.3 | 10.6 | 24.8 |
| | P-F | 13.5 | 17.1 | 10.7 | 11.4 | 12.5 |
| | P-P | 6.8 | 7.4 | 5.9 | 11.0 | 20.0 |

Note: 13.5% of workers doing an interprofessional transition go from part-time (P) to full-time (F) work, this share is higher among younger workers (17.1% for the less 29 years old, 11.4% for the 55-59 years old).
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, base Tous Salariés 2022

The hourly wage used as measure of wage in this study neutralizes the effects of changes in working time. An alternative measure — daily wage — which relates annual earnings to the number of days worked under the employment contract during the year, makes it possible to capture wage increases linked to longer working time. Table 4 shows the evolution of both hourly and daily wages according to changes in working time. It reveals that, over a two-year horizon, the trajectories of hourly and daily wages can differ significantly. While workers experience lower wage gains than stayers when switching firms once differences in working time are controlled for (4% versus 5.6%), a different picture emerges when looking at daily wages. Workers who change employer to increase their working hours earn 1.4 times more than their counterparts who remain with the same firm (44.2% vs. 30.6%). This result holds across all age groups, albeit with slightly smaller gains for older workers. Conversely, when workers reduce their working time (from full-time to part-time), seniors incur the largest losses compared with other age groups (in average they loose 7.1% in daily wage when not changing firm nor occupation, while other age groups still gain more than 10% in average).

These results are consistent with the analyses presented in the section 2 regarding the composition of interprofession mobility group, suggesting the coexistence of two distinct profiles of workers. On the one hand, there are workers with relatively high earnings who make a personal choice to change occupation in order to improve their quality of life: moving toward less demanding or more meaningful jobs, sometimes accompanied by a reduction in working hours (13.8% of senior workers). For these workers, daily wage losses tend to be substantial (-22.4%), reflecting a voluntary trade-off between income and well-being. On the other hand, a second group, more similar to younger workers, engages in professional mobility primarily to increase their earnings, often through an expansion of working hours (11.6% of senior workers) or by accessing better-paid positions (daily wage growth by +47.1% but less compared to younger workers +73.5%). These

Table 4: Daily wage gain or loss by transition from full-time to part-time and vice versa on a two-year horizon (%)

| | | all | all | less than 29 | 30-54 years | 55-59 years | 60 and more |
|---|---|---|---|---|---|---|---|
| transition | transition | mean hourly wage | mean daily wage | | | | |
| Stayers | F-F | 5.5 | 7.4 | 12.8 | 6.9 | 2.6 | 3.6 |
| | F-P | 9.1 | 8.4 | 15.9 | 10.7 | -4.1 | 13.9 |
| | P-F | 5.6 | 30.6 | 40.5 | 27.9 | 21.9 | 21.9 |
| | P-P | 5.0 | 15.4 | 31.1 | 14.1 | 7.4 | 8.7 |
| Intracompany | F-F | 8.4 | 10.6 | 16.8 | 9.7 | 4.4 | 3.8 |
| | F-P | 10.4 | 9.8 | 16.7 | 11.5 | 1.8 | -15.6 |
| | P-F | 11.5 | 47.4 | 58.2 | 44.9 | 35.8 | 27.2 |
| | P-P | 6.6 | 15.7 | 34.3 | 14.2 | 8.8 | 6.0 |
| Intercompany | F-F | 4.7 | 10.2 | 14.0 | 8.8 | 4.3 | 4.6 |
| | F-P | 4.1 | 1.0 | 3.9 | 1.5 | -5.5 | -22.1 |
| | P-F | 4.0 | 44.2 | 50.1 | 40.8 | 37.6 | 46.4 |
| | P-P | 3.1 | 20.8 | 30.2 | 19.7 | 12.6 | 10.8 |
| Interprofession | F-F | 6.3 | 13.8 | 18.2 | 11.5 | 4.3 | -4.5 |
| | F-P | 3.3 | 0.0 | 2.5 | 1.4 | -10.1 | -40.7 |
| | P-F | 8.9 | 65.2 | 73.5 | 57.0 | 49.6 | 39.1 |
| | P-P | 5.9 | 35.2 | 43.0 | 31.6 | 22.1 | 10.4 |

Note: Workers who make an intercompany transition from part-time (P) to full-time (F) see their hourly wages increase by 4.0% but their daily income increase by 44.2% two years after mobility.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2022 and 2023

results suggests that the gains from mobility at the end of one's career are limited not only by the preference for reduced working hours or difficulty to maintain full-time employment, but also by lower wage returns during transitions compared to earlier stages of working life.

In summary, this section highlights how different the transitions done by senior workers are compared to the transitions done by younger workers. The fact that they are more often likely imposed, and associated with a wage loss, and that senior workers do not aim for higher paying occupations signals a possible loss of bargaining power on the labour market. The fact that they go to occupations with a different skill content, and that they often start working part-time can indicate that for many of them the working conditions in their initial jobs were unsustainable with age.

# Conclusion

The end of working life is often associated with a set of challenges that may hinder professional mobility and wage progression. Among the commonly cited issues are a possible slowdown in individual productivity, a reservation wage that is perhaps too high compared to market conditions, reduced adaptability to new tasks or technologies, and lower incentives to invest in training or occupational retraining. These concerns raise the question of whether older workers are inherently less mobile and whether late-career transitions are less beneficial. Additionally, the oldest workers also face a different choice in their labour market participation decision once they reach retirement age, affecting their mobility pattern.

Our study provides new evidence to inform this debate. In particular, our findings help to determine the age at which mobility behaviour changes, whilst highlighting differences in professional mobility within age groups and across different wage levels. Using the BTS database to define five main transitions, we documented that professional transitions decrease with age and are generally associated with lower wage gains the older the workers are. Indeed, 85.4% of workers aged 55 to 59 remain with the same employer one year later, compared with only 73.4% of workers aged 30

to 35. The wage gains associated with changing employer decline with age and turn negative at the end of the career: on average, seniors who simultaneously change employer and occupation experience less favorable wage evolutions (-1.1% between 2021 and 2023, in constant euros, for workers aged 55 to 59) than younger workers, for whom mobility is more often associated with a wage increase (+7.7% for workers aged 30 to 34). However, behind these average figures for seniors lies substantial heterogeneity according to the type of mobility and the age when they do it: workers aged 55 to 59 are somewhat more protected than those aged 60 and above, particularly when mobility is also accompanied by a change in occupation. For instance, about half of these workers lose more than 10% of their previous wage, and almost one quarter lose more than 40%, compared with more than 20% for one quarter of workers aged 55 to 59.

This pattern may reflect two complementary mechanisms: on the one hand, senior workers may have fewer incentives to change jobs due to favourable employment conditions linked to tenure, such as higher wages, job security, or accumulated firm-specific capital. On the other hand, when they do attempt to change employers, their transitions may be less successful, as suggested by the higher prevalence with age of involuntary transition among intercompany and interprofession transitions and the declining rate of transitions to higher paying PCS in addition to the greater average hourly wage losses. Alternatively, those transitions could be motivated (or constrained) by something other than wage growth, enabled by prior capital accumulation.

This gradual process is followed by a "retirement age effect" in job mobility, with a distinct behaviour in the age groups before and after 60 years old. After 60 years old, leaving the labour market (presumably to retire) is the most common form of mobility. Wage dispersion following transitions is markedly higher among 60+ workers, particularly among executives and business leaders. Even in the case of likely voluntary change of employer, most of them decrease their hourly wage. After 60 years old, job changes more often involve transitions to part-time positions, reflecting shifts in preferences rather than a search for higher earnings, and reduced opportunities. Older workers are less likely to seek higher incomes and more likely to adjust their working conditions, for example to improve work–life balance, reduce physical strain, or arrange a gradual transition into retirement.

For senior workers both younger and older than 60 years old, the apparent skill distance between pre and post (likely voluntary) mobility occupations for older workers may therefore capture a shift toward jobs that are more physically or psychologically sustainable rather than downward mobility in the traditional sense. While our data do not allow us to directly measure these qualitative changes, future research can explore whether older workers who move into more distant occupations are in fact seeking greater job accessibility and work life balance rather than purely economic returns.

These average patterns should not obscure the considerable heterogeneity of older workers' career trajectories. Not all older workers experience the outcomes typically observed for their age group. Some transitions are associated with substantial wage gains, moves to better-paid occupations, major changes in required skills, or a shift from part-time to full-time work. For instance, one quarter of 55–59-year-olds who change both employer and occupation obtain a wage increase of more than 12%. Aggregate effects therefore conceal a wide range of individual outcomes, reflecting older workers' varied positions in the labour market and the fact that some continue to experience favourable career transitions.

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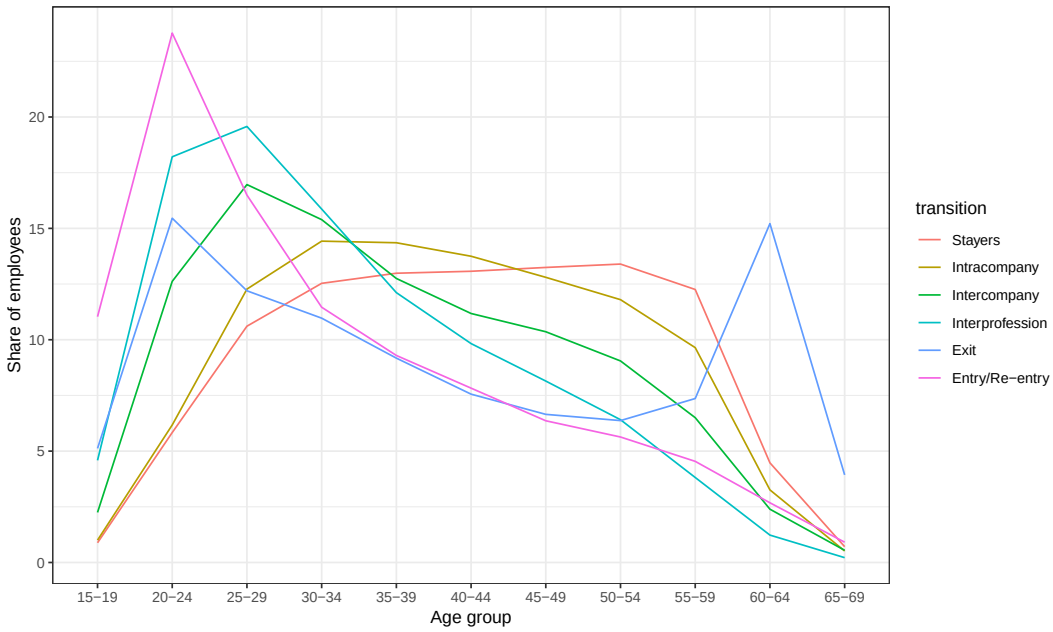
# 5 Appendix

## 5.1 The characteristics of mobile workers

Figure 15: Age pyramid (age group share in each transition)




Note: 19.6% of interprofession transitions done between 2021 and 2022 were made by workers between 25 and 30 years old.
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

As a complement to figure 2, figure 15 illustrates that most entries happen before 30 years old, along with other transitions implying a change in employers. Exits happen in the beginning of the career, and obviously at the end at retirement age. Intracompany moves and stayers are more stable than other transitions between 25 and 55 years old, with intracompany moves being more frequent among the younger workers.

Table 5: Distribution of socio-professional categories by age and type of transition (%)

| transition | CS | all | less than 29 | 30-54 years | 55-59 years | 60 and more |
|---|---|---|---|---|---|---|
| Stayers | company managt. | 1.4 | 0.3 | 1.5 | 1.9 | 3.0 |
| | Executives and | 21.6 | 14.8 | 23.2 | 21.7 | 24.2 |
| | Middle management | 21.4 | 19.4 | 22.2 | 21.0 | 18.6 |
| | White collar workers | 28.3 | 38.9 | 26.0 | 25.4 | 28.6 |
| | Blue collar workers | 27.2 | 26.6 | 26.9 | 30.0 | 25.6 |
| Intracompany | company managt. | 4.0 | 0.9 | 4.1 | 6.6 | 10.4 |
| | Executives | 23.5 | 13.8 | 25.4 | 27.2 | 30.5 |
| | Middle management | 23.2 | 20.5 | 24.5 | 22.3 | 18.0 |
| | White collar workers | 25.6 | 38.9 | 22.8 | 20.0 | 22.2 |
| | Blue collar workers | 23.6 | 25.9 | 23.1 | 23.9 | 19.0 |
| Intercompany | company managt. | 0.2 | 0.0 | 0.3 | 0.5 | 0.7 |
| | Executives | 17.7 | 11.9 | 21.0 | 16.4 | 16.7 |
| | Middle management | 17.5 | 18.4 | 17.7 | 13.9 | 11.4 |
| | White collar workers | 35.0 | 45.5 | 30.2 | 30.4 | 28.2 |
| | Blue collar workers | 29.5 | 24.1 | 30.7 | 38.7 | 42.9 |
| Interprofession | company managt. | 0.6 | 0.1 | 0.9 | 1.8 | 2.9 |
| | Executives | 16.8 | 10.0 | 21.8 | 21.3 | 23.3 |
| | Middle management | 18.7 | 15.1 | 21.6 | 19.8 | 18.8 |
| | White collar workers | 41.9 | 54.2 | 33.0 | 32.2 | 29.1 |
| | Blue collar workers | 21.9 | 20.5 | 22.6 | 25.0 | 26.0 |
| Exit | company managt. | 2.0 | 0.3 | 3.0 | 3.7 | 2.2 |
| | Executives | 12.2 | 5.2 | 13.3 | 13.5 | 21.5 |
| | Middle management | 16.3 | 12.0 | 16.6 | 18.7 | 22.4 |
| | White collar workers | 39.1 | 55.8 | 33.2 | 30.0 | 26.4 |
| | Blue collar workers | 30.3 | 26.7 | 33.9 | 34.1 | 27.4 |

Note: Among stayers, 28.3% are white collar workers. This share is higher among younger workers (38.9%, compared with 25.4% for seniors).
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

Table 6: Distribution of professional categories by age and type of transition (%)

| | transition | all | less than 29 | 30-54 years | 55-59 years | 60 and more |
|---|---|---|---|---|---|---|
| | average number year of seniority | | | | | |
| seniority | Stayers | 8.3 | 1.7 | 8.1 | 15.7 | 14.9 |
| | Intracompany | 7.5 | 1.8 | 7.7 | 14.8 | 14.3 |
| | Intercompany | 3.4 | 1.2 | 4.1 | 7.1 | 6.4 |
| | Interprofession | 2.7 | 1.0 | 3.8 | 6.2 | 8.4 |
| | Exit | 5.7 | 0.8 | 3.9 | 11.2 | 17.0 |
| | share (%) | | | | | |
| Woman | Stayers | 44,0 | 44,8 | 43,5 | 43,9 | 46,4 |
| | Intracompany | 39,8 | 42,3 | 39,4 | 38,1 | 38,2 |
| | Intercompany | 47,5 | 50,7 | 45,9 | 47,3 | 45,5 |
| | Interprofession | 49,1 | 52,5 | 46,7 | 46,7 | 40,8 |
| | Exit | 48,7 | 50,7 | 47,4 | 46,8 | 48,6 |
| cdi contract | Stayers | 91.5 | 83.5 | 93.6 | 92.9 | 88.1 |
| | Intracompany | 86.5 | 76.7 | 89.6 | 87.7 | 80.2 |
| | Intercompany | 75.1 | 65.4 | 79.7 | 80.3 | 74.5 |
| | Interprofession | 65.7 | 54.6 | 74.6 | 68.0 | 61.8 |
| | Exit | 56.7 | 42.9 | 63.7 | 64.6 | 62.1 |
| full time | Stayers | 84.3 | 84.3 | 85.8 | 82.1 | 70.5 |
| | Intracompany | 87.1 | 88.7 | 87.9 | 84.1 | 73.7 |
| | Intercompany | 78.3 | 80.2 | 79.2 | 70.5 | 58.1 |
| | Interprofession | 79.6 | 75.4 | 83.4 | 76.9 | 67.9 |
| | Exit | 71.0 | 68.9 | 73.4 | 70.3 | 70.0 |
| Paris region | Stayers | 24.8 | 24.2 | 25.0 | 22.7 | 28.5 |
| | Intracompany | 27.0 | 25.8 | 27.2 | 25.9 | 31.7 |
| | Intercompany | 28.0 | 24.5 | 29.8 | 27.1 | 31.6 |
| | Interprofession | 26.1 | 24.0 | 27.9 | 24.6 | 27.5 |
| | Exit | 22.9 | 21.4 | 25.1 | 20.5 | 21.7 |

Note: Stayers aged between 55-59 years old have at mean 15.7 years of tenure in their firm.
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

Table 7: Distribution of sector activities by age and type of transition (%)

| transition | sector | all | less than 29 | 30-54 years | 55-59 years | 60 and more |
|---|---|---|---|---|---|---|
| Stayers | services | 73.8 | 78.6 | 72.7 | 70.3 | 79.3 |
| | construction | 8.3 | 8.4 | 8.6 | 7.8 | 6.0 |
| | industry | 17.9 | 12.9 | 18.7 | 21.9 | 14.7 |
| Intracompany | services | 69.4 | 75.6 | 68.0 | 64.8 | 73.0 |
| | construction | 11.2 | 10.6 | 11.5 | 11.0 | 9.1 |
| | industry | 19.4 | 13.7 | 20.5 | 24.2 | 18.0 |
| Intercompany | services | 85.8 | 88.5 | 84.2 | 84.3 | 90.7 |
| | construction | 6.1 | 5.0 | 6.9 | 5.9 | 3.7 |
| | industry | 8.1 | 6.4 | 8.9 | 9.8 | 5.5 |
| Interprofession | services | 83.1 | 86.9 | 80.2 | 80.3 | 83.9 |
| | construction | 6.9 | 5.1 | 8.3 | 7.6 | 6.2 |
| | industry | 10.0 | 7.9 | 11.5 | 12.2 | 9.9 |
| Exit | services | 81.0 | 85.9 | 78.2 | 77.1 | 80.1 |
| | construction | 8.7 | 6.7 | 11.8 | 9.0 | 5.3 |
| | industry | 10.3 | 7.4 | 10.0 | 13.9 | 14.5 |

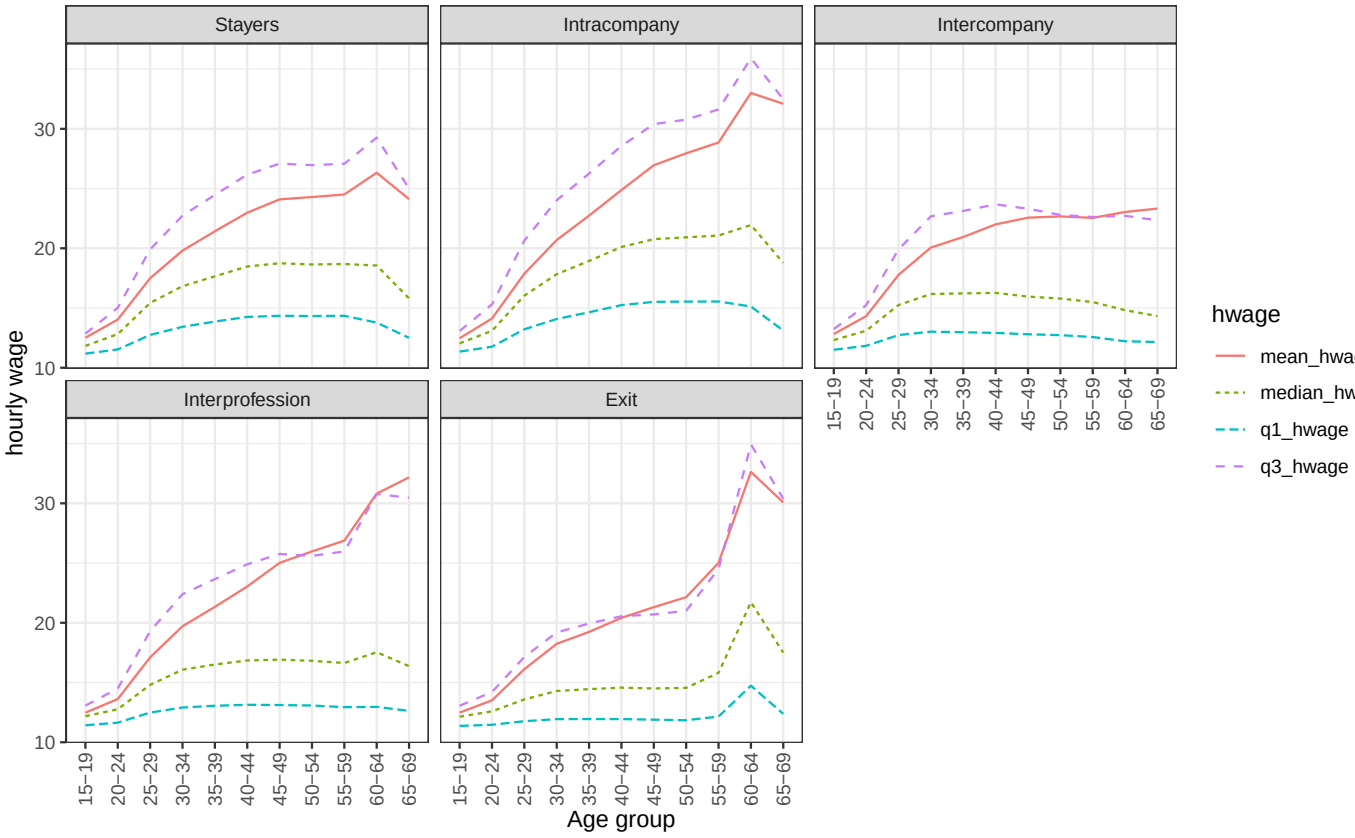
Note: Among workers who experienced an interprofession transition. 10% work in industry sector. This share is higher among seniors workers (12.2% compared with 7.9% for young workers).
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee. base Tous Salariés 2022

Table 8: Distribution of initial wage by transition

| | Stayers | Intracompany | Intercompany | Interprofession | Exit | Entry/Re-entry |
|---|---|---|---|---|---|---|
| **Share in initial wage quantiles, %** | | | | | | |
| Q1 | 59 | 4.6 | 4.8 | 13 | 20 | 32 |
| Q2 | 68 | 6.1 | 4.4 | 10.0 | 12 | 16 |
| Q3 | 73 | 7.4 | 3.3 | 7.4 | 8.4 | 8.3 |
| Q4 | 72 | 8.3 | 3.0 | 6.7 | 9.6 | 4.0 |
| **Wage in 2021, €** | | | | | | |
| Hourly wage | 22<br>[13 - 24] | 24<br>[14 - 26] | 20<br>[13 - 21] | 20<br>[12 - 20] | 21<br>[12 - 20] | |
| Daily wage | 104<br>[63 - 118] | 113<br>[68 - 128] | 92<br>[55 - 101] | 89<br>[53 - 97] | 89<br>[44 - 91] | |
| Annual wage | 34,710<br>[19,956 - 41,094] | 37,227<br>[20,790 - 44,043] | 22,394<br>[9,782 - 27,610] | 20,264<br>[7,198 - 25,508] | 17,364<br>[5,261 - 20,464] | |
| **Wage in 2022, €** | | | | | | |
| Hourly wage | 24<br>[15 - 27] | 26<br>[15 - 29] | 20<br>[13 - 22] | 19<br>[13 - 20] | | 16<br>[12 - 16] |
| Daily wage | 115<br>[69 - 129] | 127<br>[76 - 141] | 97<br>[62 - 106] | 91<br>[61 - 102] | | 70<br>[49 - 80] |
| Annual wage | 37,783<br>[22,356 - 44,001] | 41,444<br>[24,095 - 48,172] | 24,553<br>[11,766 - 29,707] | 22,058<br>[9,284 - 27,640] | | 13,597<br>[4,850 - 18,849] |

Note: Among salaries paid below the first quantile wage, 11% have made an intercompany mobility. This percentage is 7% for the third quantile. In average, in 2021, a stayer earned 22€/h , the first quantile is 14€/h and the third quantile 24 €/h. Workers who experienced an intercompany were less paid compared to stayers (in average they earned 20€/h, the first quantile is 13€/h and the third quantile 21€/h).
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

Figure 16: Distribution of initial wage by age and transition



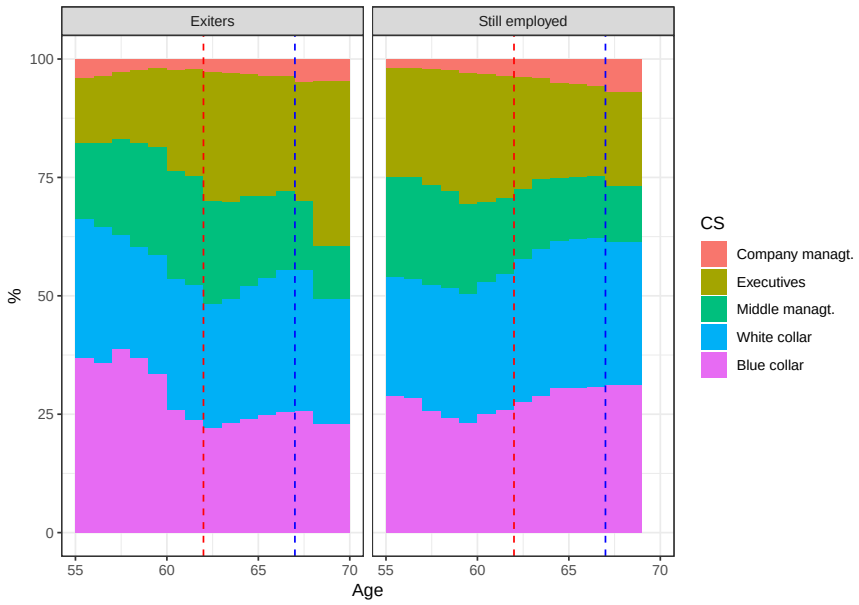

Note: Between 55 and 60, workers who undergo an Interprofession mobility earn on average 26.9 €/h, the median is 16.6, the first quartile 12.9 and the third quartile 26.0.
Coverage: Workers employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

## 5.2 Methodology : The specific case of the very end of career

Wages are expected to increase with age, as discussed in the introduction. However, our data display a specific pattern, with a particularly sharp rise at the end of the career. This pronounced increase is likely driven by two mechanisms :

- First, widely documented in the economic literature and not specific to the French data, is selective attrition. This phenomenon refers to the non-random exit of individuals from the labour market based on observable or unobservable characteristics (such as age, health status, education level, or productivity). Employees who remain in the sample (i.e., those who continue working) may differ systematically from those who leave (through early retirement or inactivity). Figure 17, which presents the characteristics of leavers and stayers by socio-professional status, shows that blue-collar workers tend to exit the labour market earlier, while executives and business leaders are more likely to remain employed. We can read the different exit rates by age and wage decile on figure 18 for the same workers: before the minimum age for claiming retirement pension (62 years old) exits are more common in the lower deciles, it is the reverse among workers older than 62 years old.

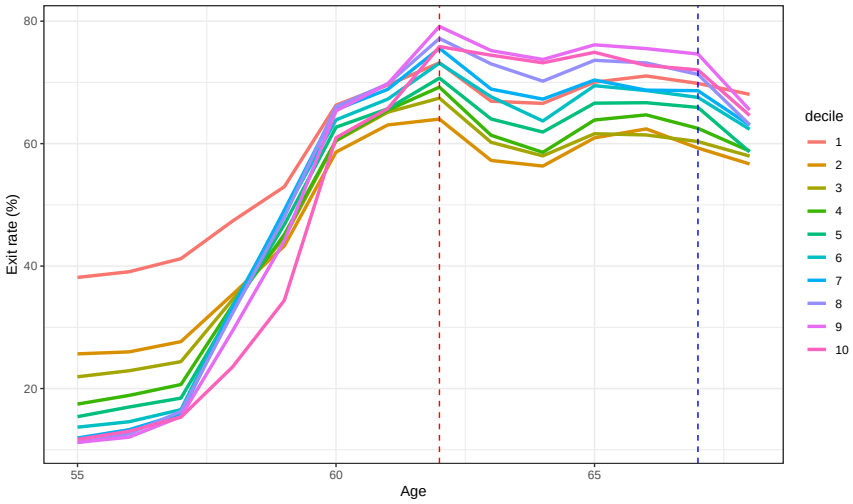
Figure 17: Differences in socio-professional structure between exits and workers who are still employed in 2022




For context, for most workers in France the age when the right to claim retirement pension is opened is 62 years old, exceptions include a part of blue-collar workers who can retire at 55 years old). At 67 years old, additional quarters of employment do not contribute to increase the pension.
Note: At age 55, 36.3% of exiters are blue collar workers, while this percentage is 28.9% for employees still in employment. At the legal retirement age of 62 (red horizontal line), blue collar workers represent only 23.6% of those leaving the workforce and 25.9% of those remaining.
Coverage: Workers between 55 and 70 years old employed in private non-agricultural companies in 2021
Source: Insee, base Tous Salariés 2022

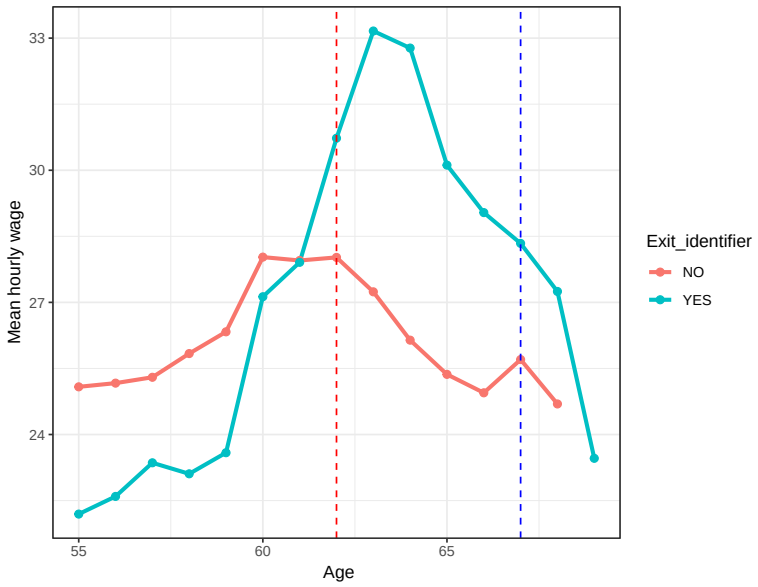
- Second, end of career wages are pushed up by exit-related payments. When comparing the characteristics of older workers who leave the labour market with those who still remain employed the following year, it becomes clear that leavers tend to have higher wages. These elevated wages are partly driven by end-of-career compensation mechanisms, such as the monetization of unused leave (Compte Epargne Temps buyouts), retirement bonuses, and other lump-sum payments. Figure 19 confirms that the average wage of exiters is higher from 62 years old. When we reproduce the figure 1 excluding these senior exiters (see figure 20 in appendix), we observe that although the mean wage remains higher, the median wage actually declines once workers reach an age where retirement is a possibility.

Figure 18: Early labour market exits by Age and wage decile




For context, for most workers in France the age when the right to claim retirement pension is opened is 62 years old exceptions include a part of blue-collar workers who can retire at 55 years old). At 67 years old, additional quarters of employment do not contribute to increase the pension.
Note: At age 55, 38.1% of employees in the bottom decile (D1) exit the labour market, compared with 11.7% among those in the top decile (D9) : reflect that lower-wage workers are more likely to leave the labour force earlier. By age 62, these patterns converge: exit rates become higher among top earners 75.8% for upper D9 and 73.2% for under D1.
Coverage: Workers between 55 and 70 years old employed in private non-agricultural companies in 2021
Source: Insee, base Tous Salariés 2022

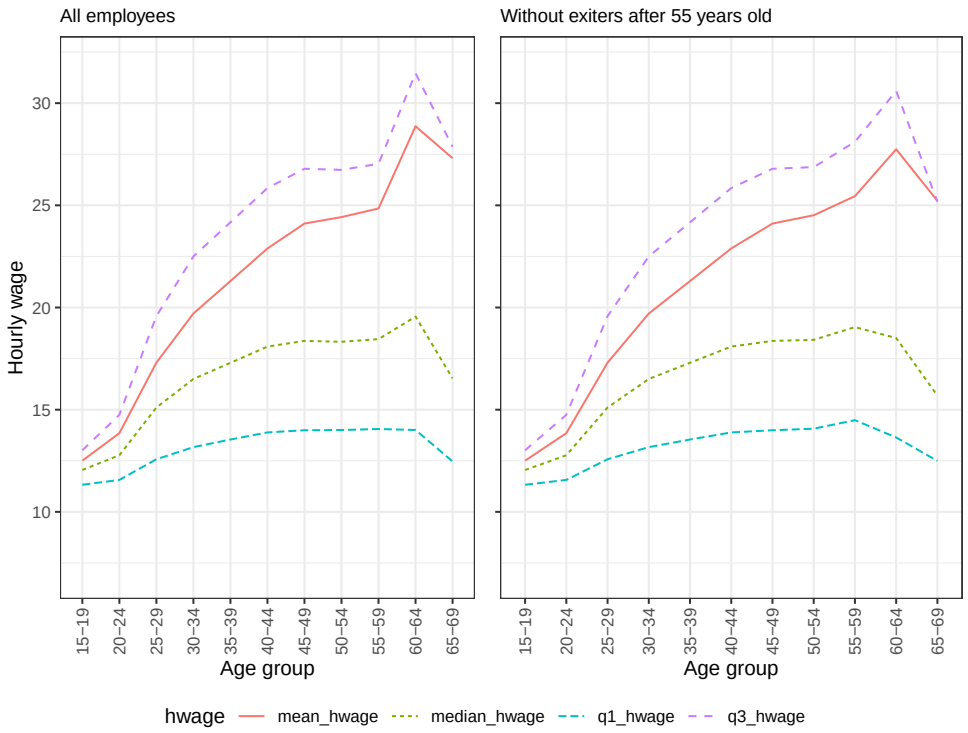
Figure 19: Difference in hourly wage between employees who leave the labour market and those who remain




Note: At age 57, employees who leave the labour market in the following two years earn 23.5 €/h, compared to 25.5€/h for those who remain employed for at least the next two years. However, starting from the statutory retirement age, the wages of those who exit increase more rapidly. At age 62, employees about to leave the labour market earn 30.9 €/h, compared to 28.4€/h for those who continue working.
Coverage: Workers over 55 years old, employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

To limit these end-of-career wage spikes in the remainder of the analysis, we exclude from the sample all workers who exited the labour market while older than 55 years old, likely to be retiring, in 2021 or 2022 *only when considering their wages* (at latest we only look at their

Figure 20: Distribution of hourly wage in 2021 with and without employees over 55 years old who leave the labour market in 2022 and after




Note: Among workers aged 60–64, the average wage amounts to 28.9. Excluding those who retire during the year, whose earnings are temporarily inflated by retirement bonuses—this average falls to 27.7.
Coverage: Workers over 55 years old, employed in private non-agricultural companies in 2021 and/or 2022
Source: Insee, base Tous Salariés 2022

second-to-last annual wage). When comparing 2021 wages to 2022 or 2023 wages we similarly exclude senior workers not working in respectively 2023 and 2024. The underlying hypothesis behind this treatment is that the obtained average wage is representative of everyone's wage absent the end of career bonuses. We do not exclude those senior exiters from statistics counting types of transition or initial circumstances to not bias those results. For concision we call this sub-population the senior exiters.

The increase in wage at the end of a career is explained by the early exit from the labour market of certain categories of employees, particularly white-collar workers before 65 years old and blue-collar workers before 60 years old. In the list of fifteen professions with the highest share of early employment departures, Flamand (2023) finds a majority of employees and blue-collar workers, like professions in accommodation and catering, construction, services to individuals and communities and handling and the primary reason for these early departures is health. Those workers also generally started working earlier in life, and are as such eligible for retirement earlier as well.

At the end of this analysis, we conclude that the increase in the average wage observed at the end of careers is largely explained by selective attrition due to the early exit of lower-paid workers (notably employees and blue-collar workers). However, part of this wage increase is also attributable to end-of-career bonuses and the cash-out of unused leave (CET buyouts). This latter component is neutralized in the remainder of the study by excluding workers older than 55 years old who leave the market place after.

## 5.3 Wage gain/loss with transitions

Table 9 reports wage evolution (a) and the associated declines in sample size (b) for each type of mobility transition. For the entire population, one year after the transition (between 2021 and 2022), wage gains are clearly higher among workers who remained with the same company. Their average earnings increased by 5.9% for stayers, compared with 1.4% for intercompany movers and 1% for interprofessions movers. When taking into account the adjustment discussed earlier (namely the artificial increase in wages observed among workers retiring in 2022, whose recorded wages tend to be overestimated) growth rates fall to 5% for stayers and 1.3% for intercompany movers. The effect is smaller for movers, which is consistent with Table 4b: the downward adjustment is mechanically smaller for movers than for stayers (-2.8% and -1.7% for intercompany and interprofessions mobility, respectively, compared with -5.2% for stayers).

Table 9: Wage evolution and workforce decline by transition

(a) Wage evolution (% of previous income in constant euros)

| | Initial population | | | Still present after 55 year | | |
|---|---|---|---|---|---|---|
| transition | 2021 and 2022 | 2021 and 2023 | 2020 and 2023 | 2021 and 2022 | 2021 and 2023 | 2020 and 2023 |
| Stayers | 5.9 | 6.4 | 7.5 | 5.0 | 5.5 | 6.6 |
| Intracompany | 7.8 | 9.0 | 10.8 | 7.3 | 8.4 | 10.2 |
| Intercompany | 1.4 | 4.6 | 9.0 | 1.3 | 4.4 | 8.8 |
| Interprofession | 1.0 | 6.4 | 10.59 | 1.0 | 6.4 | 10.6 |

(b) Workforce decline

| | % | | % points | % |
|---|---|---|---|---|
| transition | between 2022 and 2023 | between 2020 and 2021 | estimation of covid effect | still present after 55 |
| Stayers | -8.9 | -8.9 | 0.0 | -5.2 |
| Intracompany | -7.5 | -9.3 | -1.8 | -3.7 |
| Intercompany | -10.5 | -16.1 | -5.5 | -2.8 |
| Interprofession | -12.5 | -21.7 | -9.3 | -1.7 |

Note: Employees who have made an inter-company transition earn an average of 1.3% in constant euros between 2021 and 2022. Two years after the mobility (between 2021 and 2023) this gain is re-evaluated at 4.4%. Between 2020 and 2021, the number of workers experiencing an inter-occupation mobility declined by 21.7%. If we assume a "normal" decline similar to that observed in 2022 and 2023, this implies that roughly 9.3 percentage points of the drop can be attributed to the COVID shock.
Coverage: Workers employed in private non-agricultural companies in 2021
Source: Insee, bases Tous Salariés 2021, 2022 and 2023

However, these one-year wage developments mask substantial heterogeneity. The relatively moderate wage growth observed among movers can be explained by two mechanisms:

- First, movers often do not receive bonuses or incentive payments during the first year after changing jobs, which mechanically reduces their measured annual earnings. To neutralize this, we compute wage growth not between 2021 and 2022 but between 2021 and 2023, i.e., two years after mobility. In this perspective, gains improve markedly, although movers still lag behind stayers. Stayers gain 5.5%, compared with 4.4% for intercompany movers. Interprofession movers perform well (6.4%), though not as well as stayers who benefited from an internal promotion (+8.4%). This improvement must nonetheless be interpreted with caution: over a two-year horizon, sample size reductions tend to be stronger among movers, especially among interprofession movers, who lose (non randomly) up to 12.5% of their population.

- Second, wages of movers are typically overestimated in the year of mobility due to severance pay and contract termination payments, which inflates their earnings and artificially depresses subsequent growth when using the mobility year as the baseline. To account for this, we compute wage changes using the year before mobility as the reference (i.e., comparing 2020 and 2023). Results then change substantially: over this three-year span, mobility related gains exceed those of stayers. Intercompany movers gain 8.8% compared with 6.6% for stayers, and interprofession movers gain 10.6% compared with 10.2% for intracompany transitions.

**Why did we choose to examine mobility gains between 2021 and 2023 rather than from 2020 to 2023 ?**

When correcting for the overestimation of wages in the mobility year, we unfortunately rely on a rather atypical year (2020) which was heavily affected by the COVID-19 crisis and the resulting structural shifts in the labour market. In 2020, workforce reductions in many sectors inflated measured wage growth, since many low-paid workers (mostly white and blue collar workers) exited employment, while higher-paid workers (particularly executives) continued working remotely. As documented in Sanchez-Gonzalez and Sueur (2022), this generated an illusory increase in average wages. Table 9b confirms that this "Covid effect" was stronger for movers: the population of interprofession shrank by 9.3 percentage points, compared with -1.8 for intracompany mobility and almost no change among stayers. This suggests that the +10.6% wage growth observed for inter-occupation movers is likely overstated, as mostly only the highest-paid workers remained employed in 2020. 2021 provides a more stable and economically meaningful reference point. Measuring wage growth between 2021 and 2023 allows us to assess post mobility wage trajectories while avoiding distortions associated with the extraordinary context of 2020.

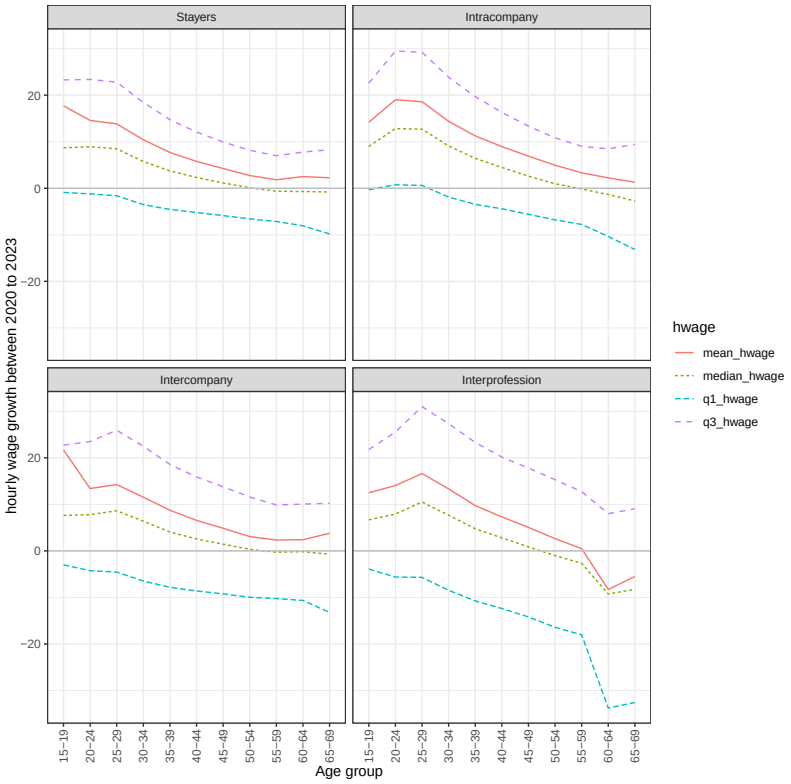
However, when examining age profiles results remain broadly consistent whether both 2020 or 2021 are used as the reference year. Due to strong composition effects in employment in 2020, we didn't use 2020 as the baseline year for wage evolution in this study. This pattern is clearly visible in table 10: between 2020 to 2023, intercompany mobility is associated with even larger wage gains (8.8% versus 6.6% for stayers), driven mainly by workers aged 30-54, while differences for both younger and older workers remain small. In contrast, with interprofession mobility, younger and mid-career workers catch up with, and even outperform stayers, whereas seniors continue to experience wage losses when changing both employer and occupation (-1.4%). However, even though movers exceed stayers in terms of salary growth, the decline in workforce is very significant (for example, interprofession mobility, under the age of 29, the loss is 33.4% compared to 24.3% for stayers). The figure 21 in annex drawn the wage evolution by age between 2020 and 2023 and show a similar age profiles to those observed at the two year horizon (2021-2023) with a persistent wage penalties for seniors who undertake interprofession mobility. Results by occupational group (see Figure 22) remain consistent once correcting for the wage overestimation issue linked to 2021: any occupational group has an interest in doing interprofession mobility after 55 years old, but the cost is higher for executives than for white and blue-collar workers or middle management workers. These results are consistent with what we observe when using 2021 as the reference year.

Table 10: Wage evolution by transition between 2020 to 2023 (% of previous income in constant euros)

| transition | Group | ↓ number of workers | mean hourly wage | median hourly wage | q1 hourly wage | q3 hourly wage |
|---|---|---|---|---|---|---|
| Stayers | all | 9.0 | 6.6 | 2.4 | -5.3 | 13.1 |
| | 0-less-29 | 24.3 | 14.1 | 8.6 | -1.5 | 23.0 |
| | 1-30-54 ans | 6.2 | 6.0 | 2.3 | -5.4 | 12.4 |
| | 2-more-55 | 3.9 | 2.0 | -0.6 | -7.3 | 7.1 |
| Intracompany | all | 9.3 | 10.2 | 4.9 | -4.5 | 18.3 |
| | 0-less-29 | 22.9 | 18.7 | 12.7 | 0.6 | 29.2 |
| | 1-30-54 ans | 6.3 | 9.5 | 4.6 | -4.6 | 17.1 |
| | 2-more-55 | 4.6 | 3.1 | -0.4 | -8.3 | 9.0 |
| Intercompany | all | 16.1 | 8.8 | 3.9 | -7.6 | 18.7 |
| | 0-less-29 | 27.3 | 14.1 | 8.3 | -4.4 | 25.0 |
| | 1-30-54 ans | 11.3 | 7.4 | 3.1 | -8.3 | 17.1 |
| | 2-more-55 | 8.8 | 2.4 | -0.3 | -10.4 | 9.9 |
| Interprofession | all | 21.7 | 10.6 | 5.3 | -10.0 | 24.1 |
| | 0-less-29 | 33.4 | 15.5 | 9.3 | -5.6 | 28.6 |
| | 1-30-54 ans | 13.7 | 8.7 | 3.8 | -11.7 | 22.2 |
| | 2-more-55 | 13.2 | -1.4 | -3.8 | -20.9 | 11.8 |

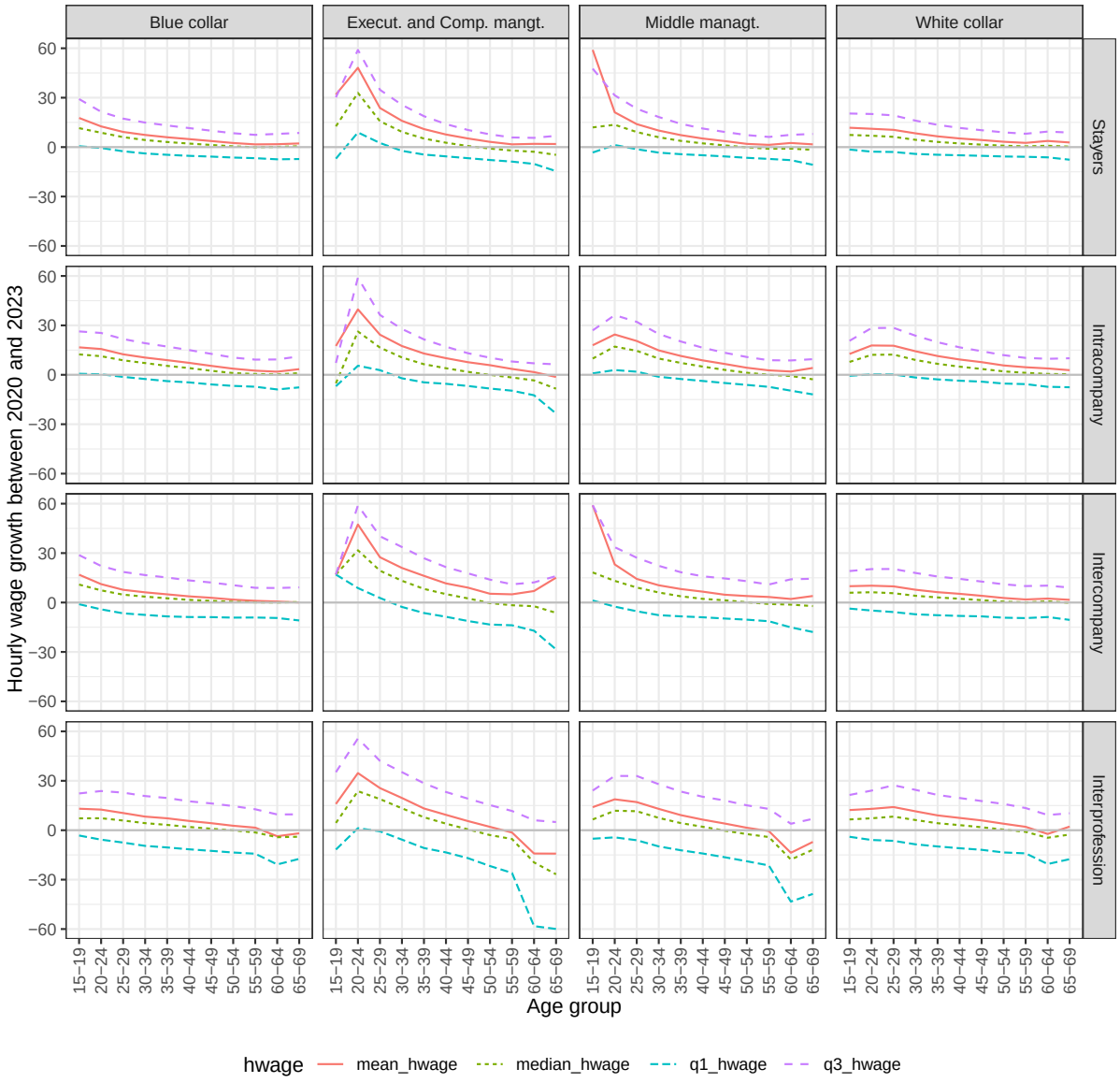
Note: When correcting for the potential overestimation of 2021 wages due to severance payments, the average wage growth for intracompany mobility between 2020 and 2023 amounts to 8.8%, compared with 4.4% between 2021 and 2023. However, this period is also marked by a 17.7% decline in employment for intercompany movers, whereas the number of stayers decreased by only 10.2%.
Coverage: workers employed in private non-agricultural companies in 2020 and still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2021, 2022 and 2023

Figure 21: Correction for the potential overestimation of 2021 : wage gain or loss between 2020 and 2023 by transition (between 2021 and 2022) with age (% in constant euros)




Note: When correcting for the potential overestimation of 2021 wages due to severance payments, between 2020 to 2023, wage growth decrease with age. Between 55 to 59 years old, workers who undergo an intercompany mobility eared on average 2.3%, this percentage is 0.5% for interprofession mobility.
Coverage: workers employed in private non-agricultural companies in 2020 and still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2021, 2022 and 2023

Figure 22: Correction for the potential overestimation of 2021 : wage gain or loss at three years by transition (between 2021 and 2022) by socio professional characteristics (% in constant euros)




Note: When correcting for the potential overestimation of 2021 wages due to severance payments, between 2020 to 2023, wage growth decrease with age. Between 55 to 59 years old, executives workers who endergo an intercompany mobility eared on average +5.0%, this percentage is -1.4% for interprofession mobility. Between 55 to 59 years old,white and blue collar workers who endergo an intercompany mobility eared on average +1.4%, this percentage is +1.8% for interprofession mobility.
Coverage: workers employed in private non-agricultural companies in 2020 and still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2021, 2022 and 2023

Table 11: Hourly wage loss and gain after transition by age and socio-professional categories (%)

| | Age group | Stayers | Intracompany | Intercompany | Interprofession |
|---|---|---|---|---|---|
| Initial CS | | | | | |
| Executives and C.M. | All | 7.1 | 9.4 | 9.2 | 6.6 |
| | less than 29 | 18.5 | 19.4 | 16.9 | 15.6 |
| | 30-54 years | 6.3 | 9.0 | 7.4 | 4.5 |
| | 55-59 years | 1.9 | 4,2 | 2,3 | -3,9 |
| | 60 and more | 1,7 | 1,6 | 7,6 | -14,4 |
| Middle management | All | 5.3 | 8.4 | 5.4 | 5.9 |
| | less than 29 | 11.7 | 15.7 | 9.9 | 11.4 |
| | 30-54 years | 4.5 | 7.5 | 3.3 | 3.6 |
| | 55-59 years | 1,9 | 3,1 | 1,2 | -2,3 |
| | 60 and more | 2,3 | 2,0 | 0,0 | -16,0 |
| White collar workers | All | 5.4 | 9.2 | 3.1 | 7.3 |
| | less than 29 | 9.3 | 13.5 | 5.0 | 9.2 |
| | 30-54 years | 4.7 | 8.0 | 2.2 | 5.5 |
| | 55-59 years | 2,3 | 3,7 | -0,6 | 0,9 |
| | 60 and more | 3,0 | 3,0 | -0,8 | -1,9 |
| Blue collar workers | All | 4.2 | 6.3 | 2.3 | 4.8 |
| | less than 29 | 8.1 | 10.3 | 5.2 | 7.6 |
| | 30-54 years | 3.8 | 5.7 | 1.6 | 3.4 |
| | 55-59 years | 1,7 | 2,6 | -0,8 | 0,1 |
| | 60 and more | 2,0 | 1,6 | -1,6 | -5,5 |
| Initial quantiles | | | | | |
| Q1 | All | 12.1 | 18.0 | 13.3 | 20.4 |
| | less than 29 | 14.6 | 18.7 | 14.8 | 19.5 |
| | 30-54 years | 11.4 | 17.9 | 12.8 | 21.7 |
| | 55-59 years | 9,2 | 15,6 | 8,6 | 19,7 |
| | 60 and more | 9,1 | 15,0 | 9,8 | 21,3 |
| Q2 | All | 5.5 | 9.3 | 3.7 | 5.3 |
| | less than 29 | 8.7 | 12.3 | 4.8 | 4.7 |
| | 30-54 years | 5.0 | 8.7 | 3.5 | 5.9 |
| | 55-59 years | 2,8 | 4,8 | -0,4 | 2,4 |
| | 60 and more | 3,2 | 4,4 | -0,9 | 3,3 |
| Q3 | All | 3.5 | 6.9 | 0.1 | -0.2 |
| | less than 29 | 8.7 | 12.3 | 2.1 | 0.9 |
| | 30-54 years | 3.2 | 6.4 | -0.3 | -0.3 |
| | 55-59 years | 0,2 | 2,0 | -4,9 | -5,6 |
| | 60 and more | 0,6 | 0,0 | -4,9 | -12,3 |
| Q4 | All | 2.2 | 3.9 | -3.5 | -9.8 |
| | less than 29 | 8.6 | 9.2 | -1.9 | -8.7 |
| | 30-54 years | 2.4 | 4.2 | -3.4 | -8.8 |
| | 55-59 years | -0,6 | 0,7 | -6,1 | -17,6 |
| | 60 and more | -2,0 | -2,8 | -9,6 | -35,2 |

Note: Stayers initially in the manager and business leaders category experience a wage growth of 6.3% when they aged between 30-54 years old.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, base Tous Salariés 2022, 2023

## 5.4 Robustness to various definitions of change of occupation

To assess the robustness of our findings, we extend the analysis along several dimensions.

- First, we examine whether the patterns documented in the main analysis hold over a longer time horizon, by replicating the estimates on data covering the past ten years. This allows

us to test the stability of mobility and wage dynamics across different economic cycles and institutional contexts. We exploit more vintages of the BTS, exploited as in Godechot, Palladino, and Babet (2023) to reconstruct a longer panel for workers with uninterrupted work spells. For instance BTS 2010 allows to compute wage growth between 2009 and 2010, and adding BTS 2011 allows to filter out the older workers not working in 2011, whose 2010 wage may contain retirement bonuses.

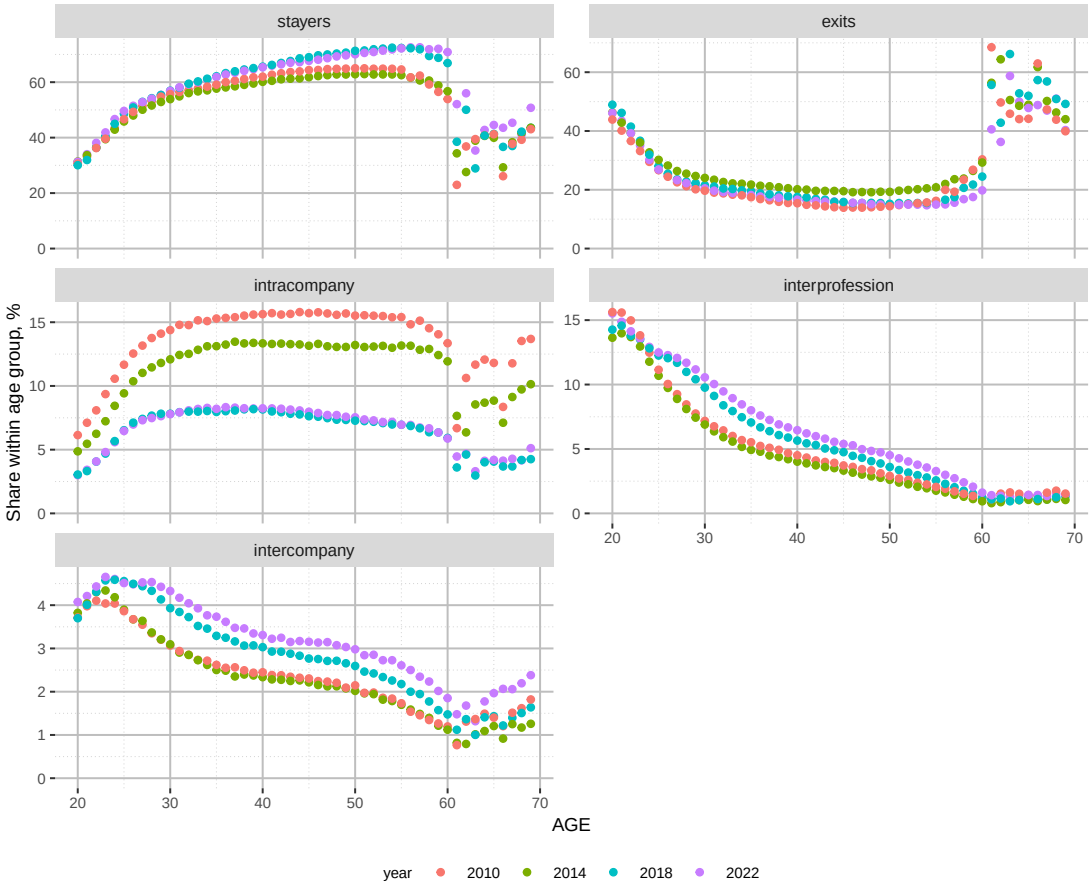
Figure 23, second panel, pictures the share, among people of the same age, of workers who change employers or exit for at least a year the labour market, in 2010, 2014, 2018 and 2022. The exit share generally decreases until 45 years old, then plateaus, and finally picks up between 55 and 60 years old (with the notable exception of 2020-2021 for workers between ages 35 and 60, during which there is a spectacular raise in exits which we attribute to lockdown-related separations, undepicted for readability). After that there is no clear pattern, and we are in the age group of workers affected by laws regarding retirement more than labour market circumstances. In the panels below, the share of workers changing employers displays little variation overtime: starting at above 20% in the early twenties when combining intercompany and interprofession moves, it is divided by half for workers in their early thirties, it is again divided by half for workers around 55 years old and reaches its lowest point at 60 year sold, before starting to slightly increase again. In 2010 and 2014 there are overall less changes of employers, and more intracompany, however the PCS codification method changed between 2014 and 2018 so direct level comparisons could be misleading (the newer method ensures better consistency from one year to the next). For intracompany moves, the increase in frequency from 20 to 30 years old is robust overtime, but later vintages exhibit a slight decline between 40 and 60 years old that was not present in 2010 and 2014.

In a long-term approach in order to see the differences over time, we do not distinguish a pattern of evolution for initial conditions (namely initial wage) before a transition for exiters or movers with respect to stayers. The top-right and bottom-left panels of figure 24 show the difference between the average initial wage of those who change employers and those who stay at their firm, by age and year. Intercompany movers are in average paid less, and the gap grows wider with age; this gap seems to reduce with time. Those who change both employers and occupation are also paid less in average than stayers, but this gap actually narrows with age (and even reverts above 65 years old in earlier vintages). As we saw in the previous part, those who undertake interprofessional mobility at the end of their career are not necessarily the lowest paid, unlike those at the beginning of their career. Those who experience an intracompany transition (bottom panel) are in average better paid, and even more so among older workers, but the age slope seems to decline overtime. Finally the difference between initial wage for stayers and exiters (top-left panel) shows no clear pattern for evolution over the vintages, in average exiters are paid less than stayers and this gap partly decreases with age.

Figure 25 illustrates the average wage growth or loss, on a one-year horizon, for various vintages: the penalty with age is not a specificity of 2021-2022 transitions.

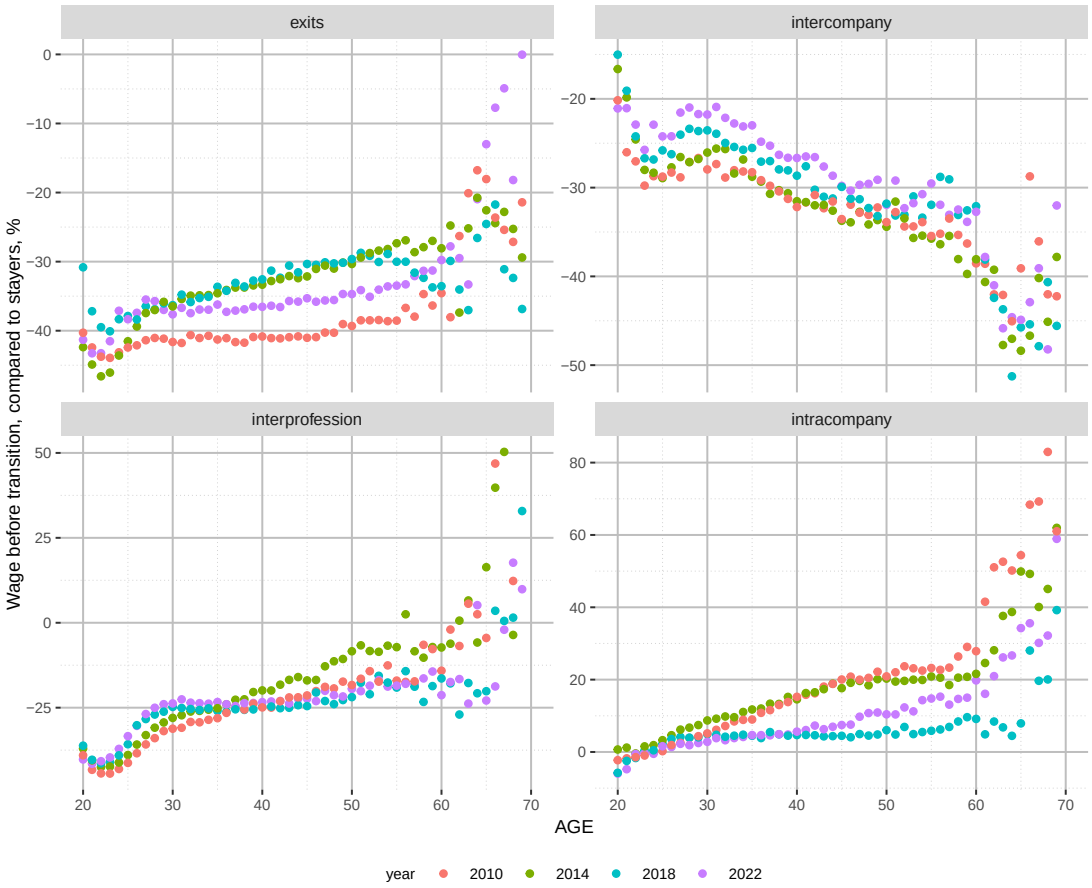
We assume that these results mean that we can effectively interpret the differences as age effects and not generation effects at this time scale, and are not specific to the 2021-2022 period.

Figure 23: Mobility behaviours through the years



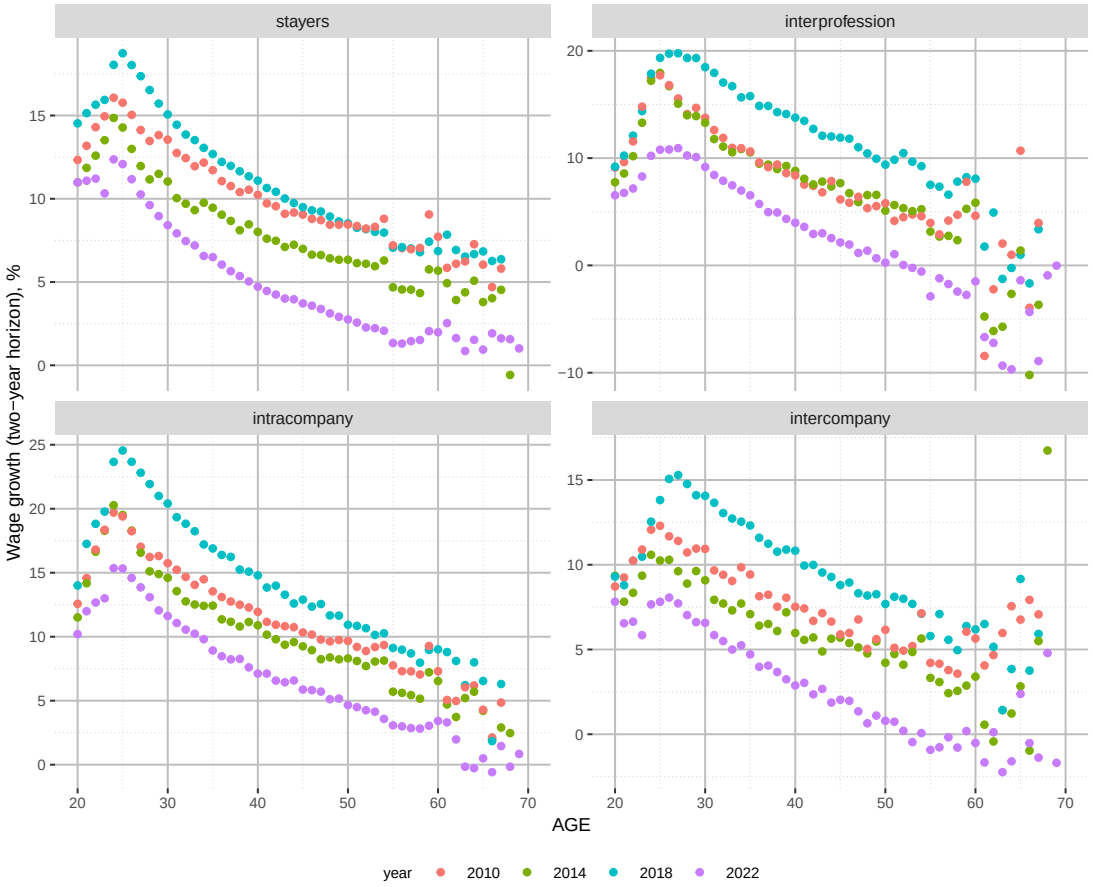

Note: In 2018, 3% of the 40-year-old workers experienced an intercompany transition.
Coverage: Workers employed in private non-agricultural companies in the year of the data vintage and/or the previous year
Source: Insee, bases Tous Salariés 2010 to 2022

Figure 24: Initial wage before mobility through the years, relative to stayers




Note: Relative difference between the initial annual earnings for workers who undergo one of the possible transitions compared to workers who stay with the same employers and PCS, by age and year
Coverage: Workers employed in private non-agricultural companies in the year of the data vintage and/or the previous year
Source: Insee, bases Tous Salariés 2010 to 2022

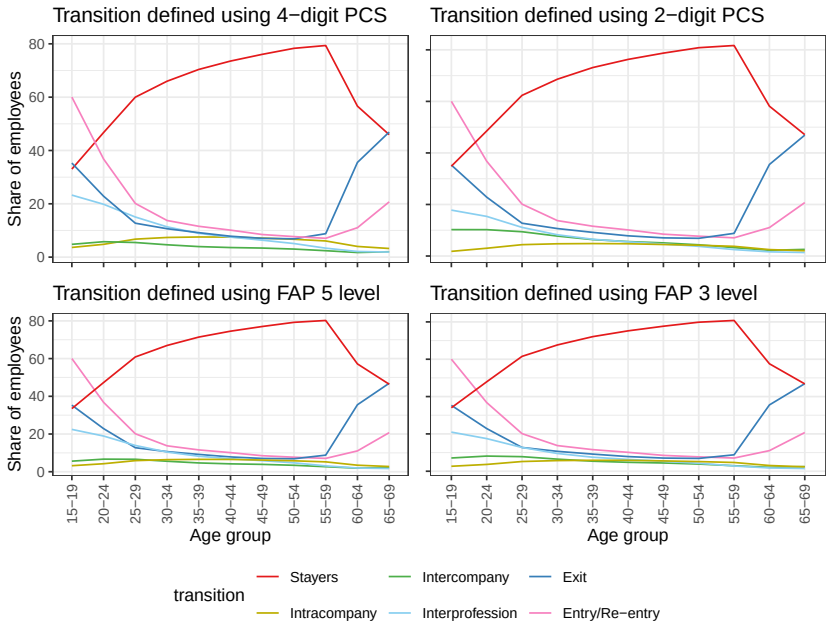
Figure 25: Average two-year wage growth by transition through the years




Note: In 2014, stayers experienced in average a 4.55% wage raise, in 2018 it was 5.24%.
Coverage: Workers employed in private non-agricultural companies in the year of the data vintage and/or the previous year
Source: Insee, bases Tous Salariés 2010 to 2022

- Second, we use alternative definitions of mobility. This helps determine whether the observed wage effects depend on the type or intensity of mobility. In fact, the way that occupational change is defined in this study (based on shifts in the 4-digit PCS), can be questioned, particularly given the very detailed level of this classification. To test the robustness of our results, alternative definitions are used, such as the 2-digit PCS and the "familles professionnelles" (FAP) classification. For example, in this study, a transition from PCS 561B (Waiters, restaurant assistants, qualified service staff) to PCS 561D (Kitchen assistants, apprentice cooks, and general catering workers) is considered a change of occupation under the 4-digit PCS definition. However, using the 2-digit PCS, both occupations fall under the same broader category, PCS 56 (Personal service workers), and would therefore not be classified as an occupational change. The same logic applies when using the FAP classification at the 3-digit and 5-digit code. The FAP classification is based on shared skill sets and similar "professional gestures". Figure 26 and table 12 in appendix illustrates the differences in worker counts in 2021 according to the different definitions of mobility. The share of interprofession mobility decreases from 9.2% to 6.8%, with a corresponding increase in intercompany mobility.

Figure 26: Age pyramid (age group share in each transition)




Note: Between ages 30 and 34, around 11.3% of employees experienced an interprofession mobility in our main specification (4-digit occupational code). This share decreases to 8.2% when changing occupation is defined as change 2-digit PCS, 10.4% when usign FAP5 and 9.5% if we use FAP3.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, base Tous Salariés 2022

In terms of wage evolution (see Table 13), the results are highly robust and remain consistent regardless of the occupational change definition used. For instance, young workers who change both employer and occupation experience an average wage increase of around +10.0% two years after the transition. This figure remains virtually unchanged (10.4%) when occupational change is defined using the 2-digit PCS classification. According to age, the same charts were produced using an alternative definition of mobility, and the patterns remain unchanged (see Figures 27).

- Third, we restrict the analysis to a more homogeneous subpopulation of workers by restricting the sample to employees on permanent contracts (CDI) both before and after mobility, our initial findings are confirmed within this narrower scope (see 13).

Table 12: Share (%) of all transition events according to other definitions of mobility

| transition | PCS4 | PCS2 | FAF5 | FAP3 |
|---|---|---|---|---|
| Stayers | 67.8 | 70.2 | 68.7 | 69.3 |
| Intracompany | 6.6 | 4.2 | 5.7 | 5.1 |
| Intercompany | 3.9 | 6.2 | 4.5 | 5.2 |
| Interprofession | 9.2 | 6.8 | 8.6 | 7.8 |
| Exit | 12.5 | 12.5 | 12.5 | 12.5 |

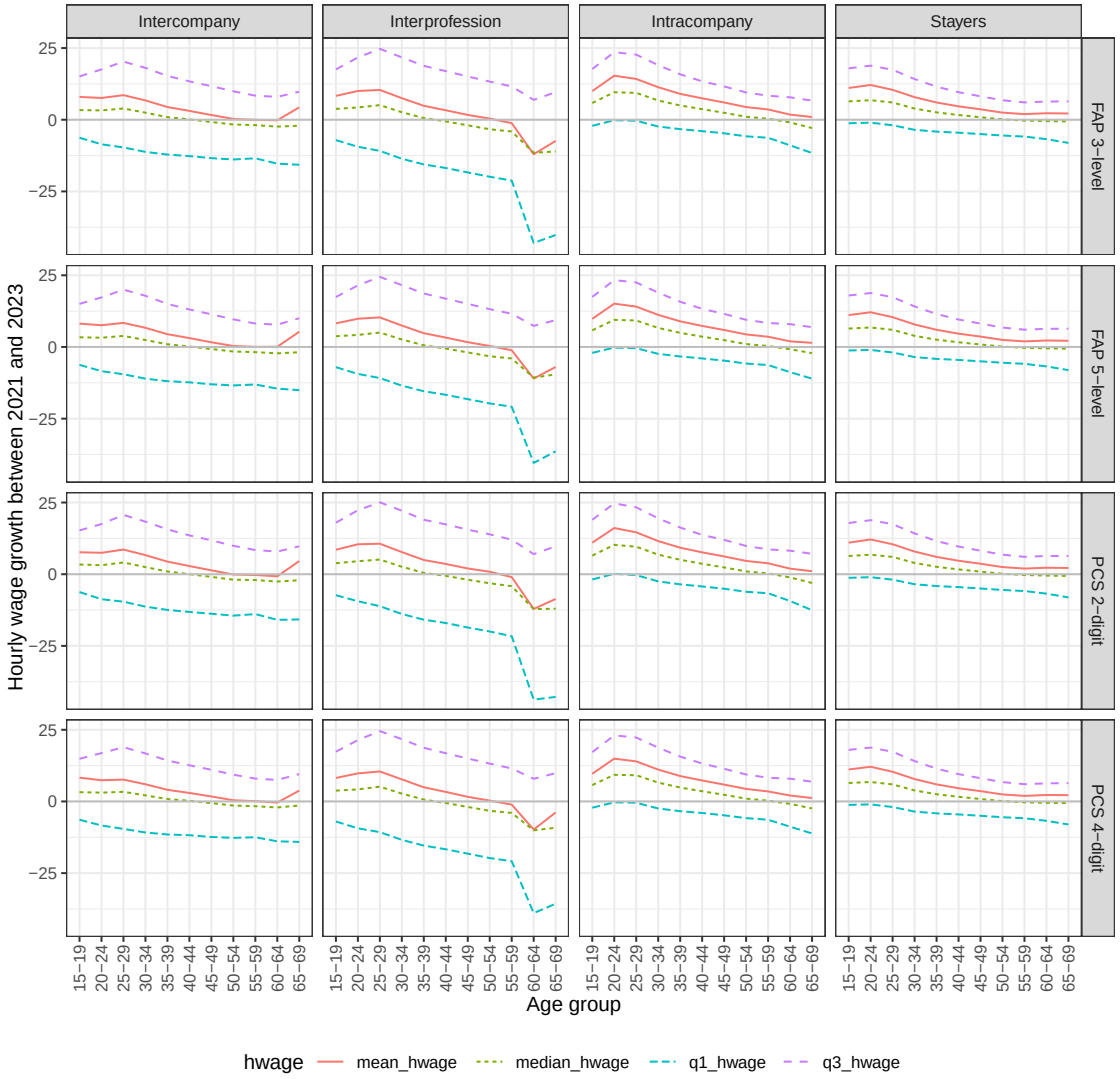
Note: If a change in occupation is defined by a change of 2-digit PCS instead of 4, the share of stayers rises from 67.9% to 70.2%.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, base Tous Salariés 2022

Table 13: Robustness test: loss/gain (%) according to other mobility definitions (use of 2-digit pcs and FAP)

| transition | Age group | PCS 4 | PCS 2 | FAP5 | FAP3 | CDI to CDI |
|---|---|---|---|---|---|---|
| Stayers | All | 5.4 | 5.5 | 5.5 | 5.5 | 5.2 |
| | less than 29 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 |
| | 30-54 years | 4.8 | 4.9 | 4.9 | 4.9 | 4.7 |
| | 55-59 years | 1,9 | 2,0 | 2,0 | 2,0 | 1,5 |
| | 60 and more | 2,2 | 2,2 | 2,2 | 2,3 | 2,1 |
| Intracompany | All | 8.3 | 8.9 | 8.5 | 8.6 | 8.2 |
| | less than 29 | 14.1 | 14.9 | 14.2 | 14.4 | 14.5 |
| | 30-54 years | 7.7 | 8.0 | 7.7 | 7.8 | 7.5 |
| | 55-59 years | 3,5 | 3,8 | 3,6 | 3,6 | 2,9 |
| | 60 and more | 1,9 | 1,8 | 1,9 | 1,7 | 2,1 |
| Intercompany | All | 4.4 | 4.9 | 4.8 | 4.9 | 4.3 |
| | less than 29 | 7.6 | 8.1 | 8.1 | 8.2 | 8.2 |
| | 30-54 years | 3.4 | 3.6 | 3.7 | 3.7 | 3.3 |
| | 55-59 years | 0,1 | -0,3 | 0,0 | 0,0 | -0,1 |
| | 60 and more | 0,4 | 0,3 | 1,1 | 0,7 | -0,3 |
| Interprofession | All | 6.4 | 6.6 | 6.3 | 6.4 | 6.0 |
| | less than 29 | 10.0 | 10.4 | 9.9 | 10.0 | 10.9 |
| | 30-54 years | 4.4 | 4.6 | 4.3 | 4.3 | 4.1 |
| | 55-59 years | -1,1 | -1,0 | -1,1 | -1,2 | -2,6 |
| | 60 and more | -8,9 | -11,6 | -10,4 | -11,4 | -7,9 |

Note: In our main specification where a change in occupation is appreciated at the 4-digit PCS level, workers between 30 and 54 years old making an intracompany transition have a 7.7% wage increase. When restricting to only workers with open-ended contracts, it is 7.5%. When occupation is defined by the 3-digit professional family, it is 7.8%.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2022 and 2023

Figure 27: Wage gain or loss at two years by transition defined as changed in 2 digit code PCS with age (% in constant euros)




Note: Two years after transition, between 55 to 59 years old, workers who endergo an intercompany mobility (defined by changing 2 digit code PCS) eared on average -0.3%, this percentage is -1.0% for interprofession mobility.
Coverage: workers employed in private non-agricultural companies in 2021 and/or 2022, still employed in 2023, without exiters older than 55 years old
Source: Insee, bases Tous Salariés 2022 and 2023

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