

Budget 2025

Investment in skills a key aspect we need to talk about

The Government has played its part when it comes to boosting skills. Now it's up to workers and employers to take this forward.



Terence Ho

While Budget goodies to offset the cost of living may get more eyeballs, measures to boost skills and training are just as, if not more, significant.

After all, the only sustainable way to help Singaporeans cope with rising costs in the longer term is by growing their incomes. With advances in technology disrupting some jobs and transforming others, reskilling is becoming even more critical for workers' career health and incomes. It comes as no surprise, therefore, that jobs and skills are again in focus in Budget 2025.

This is not a single-year effort, but part of the Government's sustained investment in workers' skills and employability.

Support for reskilling must target both employers and workers: the former because employer-led training is most relevant to organisational needs and business transformation; and the latter because workers must also be empowered to take charge of their own skills development, particularly if they are planning ahead for new jobs or careers.

MORE SUPPORT FOR WORKERS

Budget 2025 comes a year after a major skills initiative – the SkillsFuture Level-Up Programme – was introduced.

This programme provides support for mid-career Singaporeans to undertake a substantive skills reboot by allowing them to pursue a second publicly funded full-time diploma

(after a first degree or diploma), topping up their SkillsFuture Credit, and providing a training allowance for those who take up full-time, long-form training.

The training allowance is particularly significant at up to \$3,000 a month for a total of 24 months. Budget 2025 extends support for part-time training, recognising that part-time trainees may also be out of pocket for expenses such as course material and transport.

The training allowance for full-time courses helps overcome a major barrier to substantive training, namely the opportunity cost of spending time away from work to take up training.

However, there may be other reasons why mid-career workers are unable to commit to full-time training, such as work obligations and family commitments.

The newly announced part-time training allowances would be welcomed by such workers.

While the SkillsFuture Level-Up Programme benefits workers aged 40 and above, an enhancement to the Workfare Skills Support scheme will extend a new tier of benefits to lower-wage workers aged between 30 and 40.

This is being done as these more vulnerable workers may need a leg-up through training at an earlier age.

FOR EMPLOYERS: THREE SIGNIFICANT MOVES

The Budget 2025 measures focus on employer-led workforce transformation with the announcement of a new SkillsFuture Workforce Development Grant, a fresh \$10,000 redesigned SkillsFuture Enterprise Credit, and an additional \$200 million for an expanded Company Training Committee (CTC) grant.

These build on existing schemes, making them more



The need to take SkillsFuture to the next level is urgent given the speed of technological and business transformation, says the writer. Industrial-scale upskilling is needed for industry- and economy-wide change. ST PHOTO: LIM YAOHUI

accessible and user-friendly.

The Workforce Development Grant consolidates existing schemes administered by statutory boards Workforce Singapore and SkillsFuture Singapore, with a simplified application process and higher support for job redesign activities.

Meanwhile, the SkillsFuture Enterprise Credit will be revamped to offset costs for companies' enterprise and workforce transformation upfront rather than on a reimbursement basis. The fresh tranche of \$10,000 in enterprise credits for each employer will help to sustain the momentum.

Successful workforce transformation must go hand in hand with business

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transformation.

This is why the SkillsFuture Enterprise Credit and NTUC's CTCs aim to help both workers and companies transform for the future. Since their launch in 2019, the CTCs have proved successful with more than 2,700 companies already on board, hence the further support in Budget 2025 to scale up the programme.

BEYOND FINANCIAL SUPPORT

Financial support alone, however, will not move the needle.

For Singapore to succeed in upgrading its workforce and strengthening career resilience, training must be flexible, accessible and top of mind.

There should be a spectrum of training modalities to cater to different learners' needs and time constraints. These could include full-time courses conducted during the day, part-time courses conducted during the evenings and weekends, as well as virtual or hybrid courses.

Learners should also have the flexibility to stack modules to attain full certificates, diplomas or degrees. Besides formal courses, seminars and workshops, as well as e-learning modules, can

add to the diversity of learning options.

Workplace learning is another key channel for the acquisition of knowledge and skills.

According to researchers, much more learning takes place at the workplace than in classes or formal programmes.

It is therefore important that workplace learning be properly structured with clear objectives, so that learning is systematic and outcomes are measurable.

The development of a new city campus for the Singapore University of Social Sciences (SUSS) will be a boost for lifelong learning, given the role of SUSS as a champion for continuing education in Singapore. The new city campus will be at a readily accessible location. This will also raise the visibility, and hence mindshare, of lifelong learning.

QUALITY MATTERS

Successful workforce transformation also depends on the quality of training programmes. Before committing to any form of training, learners want to be assured that their time and money will be well spent.

For this reason, SkillsFuture

funding is limited to selected continuing education programmes that pass a quality bar. Training providers are subject to a quality assurance assessment that covers corporate governance and course administration, as well as training quality and outcomes.

Training quality is only as good as the adult educators who deliver the training. Just as the quality of education in our schools hinges on teacher quality, the standard of lifelong learning courses depends on the skills and competencies of adult educators.

This is where the Institute for Adult Learning has a role to play – in equipping adult educators with andragogy skills and facilitating their continuing professional development.

The latter is particularly important given advances in technology, including learning technology such as artificial intelligence tools. It is incumbent on adult educators, like teachers, to continually refresh their skills in this fast-changing environment.

MINDSETS AND ECOSYSTEM

The SkillsFuture movement was birthed 10 years ago as the Government recognised then the need to step up investment in continuing education and lifelong learning. Today, we have in Singapore a robust ecosystem comprising training providers, both public and private, training grants and subsidies, as well as companies with in-house training programmes.

However, we cannot rest on our laurels. The need to take SkillsFuture to the next level is urgent given the speed of technological and business transformation. Industrial-scale upskilling is needed for industry- and economy-wide change.

Budget 2025 doubles down on Singapore's investment in skills and training. While the programmes and funding may be in place, worker and employer mindsets will make all the difference.

Workers of all ages must recognise the importance of investing in their career health and resilience through continual reskilling and upskilling. It will not do to wait until one's job is at risk.

Employers must ensure that sufficient time is set aside for worker training, which is an investment in current and future productivity. Granted, some workers may leave the organisation after being trained, but an employer's reputation for training workers well will attract other talent to join.

There is an opportunity now to transform the job marketplace from one primarily driven by academic qualifications and grades to a "skills-first" ecosystem where employers and workers prioritise skills and continually invest in skills acquisition and upgrading. While this will take a whole-of-nation effort, Singapore is well placed to show the way.

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