SKILLS-FIRST READINESS AND ADOPTION INDEX

KEY INSIGHTS FOR SINGAPORE

A focused analysis highlighting Singapore's progress
and opportunities in building a skills-first future

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INTRODUCTION

The Skills-First Readiness and Adoption Index is a multi-dimensional index that captures employer practices, policy alignment, education and training systems, and individual experiences to offer an actionable picture of the degree of skills-first readiness and adoption across countries. This Index is co-developed by the OECD Directorate for Employment, Labour and Social Affairs and the Centre for Skills-First Practices at the Singapore University of Social Sciences-Institute for Adult Learning (SUSS-IAL). A total of 30 economies[1] participated in this project, of which 29 are OECD member-states, Singapore is the only non-member country.

This report focuses on drawing out the key insights for Singapore, with an emphasis on identifying the specific dimensions in which the country demonstrates relative strength and those where improvement may be considered. The analysis of the index provides a nuanced picture of progress and highlights specific areas where policymakers, employers, education and training providers, and individuals can take action. For further details on how the Index and its indicators are designed and measured, please refer to the *Skills-First Readiness and Adoption Index: Methodology Note.*

[1] The 30 countries include Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Japan, Latvia, Lithuania, Netherlands, New Zealand, Norway, Poland, Portugal, Singapore, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States

OVERALL PERFORMANCE

Singapore demonstrates an above average level of readiness and adoption in its effort towards a skills-first economy. In the overall Index, it ranks **12th out of 30 countries, placing it at the upper middle-tier among participating countries**. This suggests that while Singapore has made tangible strides in adopting skills-first practices, the practices are not yet as mature or pervasive as those in leading economies. Several European countries such as Sweden (ranked #2) and Belgium (ranked #5) combine strong enabling environments with widespread adoption, positioning them at the forefront towards a skills-first economy. In contrast, Asian countries like Japan (ranked #27) and Korea (ranked #28) remain in the early stages of Skills-First adoption.

Skills-First Readiness and Adoption Index
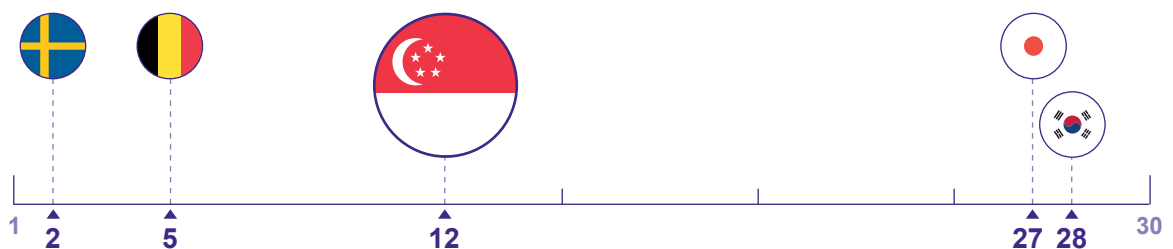
Where Singapore is distinctive is in the **Labour Market Pressure Index[2]**, where it ranks **among the top 10**. With 83% of employers reporting hiring difficulties, the urgency for a shift to skills-first practices is pertinent. This pressure indicates that while Singapore's readiness and adoption levels are upper middle-tier, the need to accelerate adoption is especially acute, suggesting both a challenge and an opportunity. The convergence of moderate readiness and adoption with high labour market urgency places Singapore in a position where faster adoption could yield significant benefits.

Looking across the other sub-indices, Singapore performs **above average in Talent Recognition Sub-Index[3] (11th) and Learning Ecosystem Sub-Index[4] (10th)**, indicating relative strength in areas such as training systems and how skills are recognised and valued in the labour market. However, it scores lower in the **Enabling Environment Sub-Index[5] (25th)**, mainly reflecting indicators such as absence of statutory training leave and comparatively low public expenditure on education as a share of GDP. These will be discussed in greater detail in the following sections. While some of these limitations stem from how the Index is constructed, they nonetheless signal areas that merit further consideration. Progress in these domains could help strengthen Singapore's position and support the development of a resilient skills-first economy over time.

[2] Labour Market Pressure Index assesses the degree to which a country stands to benefit from improving its skills-first policies
[3] Talent Recognition sub-index evaluates whether skills are formally recognised and rewarded
[4] Learning Ecosystem sub-index examines the extent to which skills-first principles are embedded in the design and delivery of education and training
[5] Enabling Environment sub-index assesses whether a country has the foundational structures to support a shift towards skills-first approaches

AREAS OF STRENGTH
("WHAT WENT WELL")

Singapore demonstrates several notable strengths in building the foundations of a skills-first economy. These strengths span across the enabling environment, the learning ecosystem, and talent recognition, and collectively highlight areas where the country has already made significant progress.

1 | **TALENT RECOGNITION:**
Digital Recognition and Signalling

Singapore stands out in its efforts to strengthen skills recognition through digital infrastructure. Systems such as the **Careers and Skills Passport (CSP)** provides individuals with verified records of their skills, training and work experience, enabling better skills visibility to employers and facilitating more seamless career transitions. CSP aims to address the opacity of skills signalling in hiring practices, and the limited visibility of a person's accumulated learning and experience. This is particularly significant given that only three countries globally — Singapore, Japan, and France — have implemented such systems. By leading in this area, Singapore positions itself at the forefront of international best practice, ensuring that its workforce can effectively signal their skills in the labour market. This not only benefits individuals but also enhances the efficiency of hiring for employers, helping to reduce mismatches and strengthen labour market outcomes.

2 | **LEARNING ECOSYSTEM:**
Emphasis on Career-Learning-Skills Guidance

Another area of strength lies in Singapore's ongoing enhancement towards career-learning-skills guidance. Policies and initiatives are in place to steer individuals towards training in high-demand skills to achieve their career aspiration, while also encouraging training providers to align their offerings with labour market needs. Importantly, career-learning-skills guidance in Singapore goes beyond a narrow focus on formal qualifications; it emphasises helping individuals understand, build, and apply skills in ways that strengthen employability. **Workforce Singapore (WSG) Polaris programmes** provide personalised career guidance, while initiatives such as **SkillsFuture Credit** reinforce lifelong learning by empowering individuals to chart their own skills development pathways. This skills-focused model is critical because it ensures that career-learning-skills guidance is about equipping people with the career planning capabilities needed to thrive in a changing economy.

3 **ENABLING ENVIRONMENT:**
Government Provision of Job-Skills Insights to the Public

Singapore has made jobs-skills intelligence both accessible and well-targeted, empowering the public with reliable insights and data to guide their decisions. The government, through SkillsFuture Singapore (SSG), provides these insights via platforms such as the **SkillsFuture Jobs-Skills Portal**, where regularly updated dashboards—covering jobs, skills demand, tools & apps usage, priority skills and career mobility—offer clear visibility into evolving labour market trends. Another key initiative is the **Skills Demand for the Future Economy (SDFE) report**, which analyses jobs-skills trends across sectors, forecasts skills trends, and highlights pathways for individuals to transition into in-demand roles. Taken together, these initiatives form a comprehensive jobs-skills intelligence system that equips individuals, training providers, and employers with the knowledge needed to make better-informed choices and to align workforce development with Singapore's long-term economic priorities.

OPPORTUNITIES FOR IMPROVEMENT
("WHAT COULD BE DONE BETTER")

While Singapore demonstrates notable strengths in building the foundations of a skills-first economy, there remain several gaps that could constrain long-term progress. Closing these gaps will be critical to sustaining a more inclusive and future-ready workforce.

1   **TALENT RECOGNITION:**
Skills-First Hiring Practices Remain Limited

One limitation lies in the area of skills-first hiring practices, where employers remain highly credential-focused. Employers continue to place heavy emphasis on formal qualifications and work experience, with relatively limited adoption of skills-first approaches. In the Index, Singapore scored around the midpoint, ranking 15th out of 30 countries on this measure. Survey data reinforce this picture: only 21% of employers in Singapore identified the practice of removing degree requirements and adopting skills-first hiring as a promising way to increase talent availability — compared to 35% in Austria, the highest among all countries surveyed.

Similarly, while there is some movement away from rigid credentialism, the pace is slow. About 42% of employers in Singapore reported that they would not prioritise a university degree when assessing candidates' skills. On the surface, this seems positive, but it is in fact the lowest share among all 30 countries; by contrast, in Greece, 75% of employers said they would not prioritise degrees in hiring — which is the highest compared to all countries. These patterns indicate that employers in Singapore are still far less likely than their peers to adopt a truly skills-first lens in recruitment.

We can address this gap by encouraging wider uptake of skills-first hiring. While discussions have begun, significant barriers remain. Shifting employer practices requires not only a mindset change but also the right systems and infrastructure — such as reliable skills verification tools, digital credentials, and supportive HR policies — to make adoption feasible at scale.

Here, Singapore is taking nascent steps through the introduction of new digital tools such as **TalentTrack** and **TalentTrack+** to help employers (especially smaller enterprises) get started through in-depth skills insights and training course recommendations customised to their industry and organisation, to inform their hiring and upskilling needs.

To go further, Singapore could take cues from countries like Austria, where government agencies have actively partnered with employer associations to pilot skills-first recruitment, backed by clear frameworks and incentives. On this front, such examples suggest that progress is possible when policy and industry move in tandem. For Singapore, achieving this will require a whole-of-system effort, with government, businesses, and training providers working together to normalise skills-first hiring as a credible and practical alternative to credential-based approaches.

2 LEARNING ECOSYSTEM: Training Usefulness and Impact could be Improved

Another challenge for Singapore lies in the perceived usefulness and impact of training. Based on findings from the Programme for the International Assessment of Adult Competencies (PIAAC), only about 41% of adults in Singapore report finding training highly useful, placing the country 21st out of 30 and below the international average. This contrasts with top performers such as Denmark, where 65% of adults find training highly useful, demonstrating the potential for stronger outcomes when training systems are perceived to deliver real value.

Other peer economies also perform notably better. In Australia, 56% of adults report that training is highly useful — well above Singapore's level. While both countries provide access to modular and credential-based programmes, Australia has placed stronger emphasis on integrating these with industry-recognised credentials and career pathways, supported by coordinated national policies. For example, Australia's **National Microcredentials Framework** requires micro credentials to include evidence of industry recognition and sets standards to ensure they are meaningful for employers, learners, and providers. Singapore's lower results suggest that while access to training is widespread, participants may not always perceive the same degree of relevance to their jobs or future opportunities.

Improving the perceived usefulness of training will require stronger alignment between training provision and workplace requirement. SkillsFuture Singapore has begun taking steps in this direction, such as identifying in-demand and emerging skills to guide course provision. Ensuring that training translates into tangible skills and better job and business outcomes will be key to enhancing the credibility and impact of Singapore's lifelong learning ecosystem. This is consistent with findings from the OECD's PIAAC Thematic Report on Trends in Adult Learning (2025), which highlight that adults often engage in learning to improve their job performance and career prospects, and that participation is associated with higher earnings. This underscores the importance of ensuring training delivers real value.

3 ENABLING ENVIRONMENT: Deliberate Policy Choices for Skills Development

Training leave is a widely recognised policy instrument in OECD member states, which is why it is included as an indicator in the Index. A majority of countries — 22 out of 30 — provide employees with some form of statutory entitlement to training leave, underscoring its pervasiveness as a practice among OECD member states.

By contrast, Singapore's approach to enabling training reflects a deliberate policy emphasis on accessibility and targeted investment rather than formal statutory guarantees. Despite strong systems for identifying skills needs and enabling pathways, Singapore does not practice mandatory training leave. Under the Employment Act, there is no country-wide mandate that ensures leave specifically for training. However, in the Singapore context, training leave has not been made a core priority because employees are often able to pursue training without having to rely on statutory leave. This reflects a deliberate policy choice to prioritise agility, accessibility and flexibility of training pathways over the formalisation of leave entitlements. Non-formal learning at workplaces is encouraged. Additional effort to build workplaces learning capability is carried out under the initiative **National Centre of Excellence for Workplace Learning (NACE)**.

At the same time, the effectiveness of statutory training leave — even in countries where it is mandated — has not yet been firmly established. In Singapore's case, participation in adult learning has remained relatively robust — above the OECD median according to PIAAC data — suggesting that employees are still able to access opportunities through alternative mechanisms.

In terms of expenditure, the Index measures public spending on education as a share of GDP. Singapore's ratio of 2.82% (2021) is the lowest among all countries. In comparison, Scandinavian countries such as Sweden, Denmark, and Norway allocate the highest shares, around 7–7.5% of GDP on education. However, this indicator does not fully capture Singapore's distinctive policy approach. As a small and highly open economy, Singapore allocates resources carefully across competing demands such as healthcare, defence, and infrastructure. Rather than adopting a high-spending model, the government has focused on targeted investment in lifelong learning and skills development. The **SkillsFuture movement**, launched in 2015, exemplifies this approach. It channels significant public resources into course subsidies, training credits, and sectoral skills frameworks, ensuring that investment is directed towards building skills that are directly relevant to future jobs. For example, in 2021, the government spent nearly S$1.2 billion on skills training for the workforce, up from about S$0.8 billion in 2019. While the Index's methodology captures low overall education spending, Singapore has in fact made a deliberate choice to prioritise skills and continuous learning over conventional education expenditure.

CONCLUSION

Building a truly skills-first economy in Singapore will require more than strong learning systems and talent recognition tools — it depends on strengthening the broader enabling environment, including infrastructure, policies, data systems, and a cultural mindset that values Skills-First.

While progress so far has been encouraging, further efforts are needed to close gaps and ensure that training and skills development translate into meaningful outcomes. This is a long-term journey, but Singapore is moving in the right direction.

By working together — across government, training providers, industry, and individuals — the country can build the collective momentum needed to embed a sustainable, inclusive, and future-ready skills-first economy.

PROJECT TEAM

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Sri is an Analyst at the Centre for Skills-First Practices at the Institute for Adult Learning. She holds a Master's Degree in Data Analytics from Carnegie Mellon University and brings over five years of experience in project management and data-driven decision-making. Her work focuses on transforming complex data into actionable insights that guide workforce strategies and shape skills policy.

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Silin is Deputy Director of the Centre for Skills-First Practices at the Institute for Adult Learning, where she oversees the analytics function at the centre. With nearly 20 years' experience, she translates data, behavioural insights, and trend forecasting into strategic workforce solutions. Silin also leads transformation initiatives, working with stakeholders to strengthen organisational and workforce agility. She is both the founding editor and an editorial board member of the *Singapore Labour Journal*.

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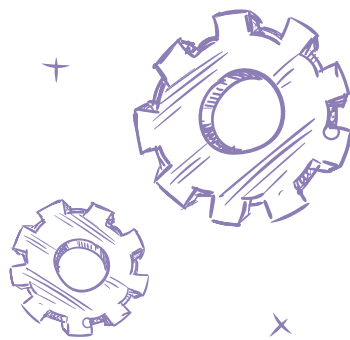Fellow, Centre for Skills-First Practices, Institute for Adult Learning

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