

The nature of employment is in flux all around the world, as more diverse forms of work emerge and as human capital has become an increasingly important requirement for many jobs. Labour markets progressively reward general cognitive skills such as problem solving and critical thinking as well as one's adaptability and readiness for change and socioemotional skills related to one's ability to manage and identify emotions that help in effective communication and team work (Ajwad et al., 2014; Bodewig, Badiani-Magnusson, McDonald, Newhouse, & Rutkowski, 2014; Sudakov et al., 2016; Valerio, Sanchez Puerta, Tognatta, & Monroy-Taborda, 2016). The emergence of new technologies affects skills requirements through job creation in technology-driven industries and integration in more traditional sectors such as agriculture, requiring adoption, adaptation, operating and managing these technologies (Sudakov et al., 2016). While skills-intensive jobs are on the rise, employment shifts away from middle-skilled occupations involving routine tasks, which can be more readily substituted by technology, in particular automation (Sachs & Kotlikoff, 2012). The World Bank (2019) estimates that since 2000, the percentage of jobs in occupations requiring non-routine cognitive and socio-emotional skills has increased from 19 to 23% in developing countries and from 33 to 41% in advanced economies, while the decline in the share of employment in occupations involving routine skills has fallen from 50 to 44% in developing countries and from 42 to 32% in advanced economies. In advanced economies as well as in Indonesia, Mexico and Brazil, labour markets are polarizing (also termed as hollowing-out), as in addition to growth in high-skilled jobs, low-skilled jobs requiring physical dexterity and interpersonal communication are also on the increase at the expense of the middle-skilled jobs (D. Autor, 2014; D. H. Autor & Dorn, 2013; Maloney & Molina, 2016; Michaels, Ashwini, & Van Reenen, 2014; Acemoglu & Autor, 2011; World Bank, 2019).