



PART 3

Read the text below and answer questions 27–40.

THE FUTURE OF WORK: AUTOMATION AND THE “SKILLS GAP”

A

Automation driven by artificial intelligence and advanced robotics is frequently presented as the latest chapter in a long history of “labour-saving” technology. Yet many economists argue that the present wave differs in one crucial respect: its reach extends beyond physical exertion and predictable routines into domains once assumed to be protected by expertise, language, and judgement. From document review and claims processing to parts of diagnostics and forecasting, algorithms increasingly perform activities that resemble knowledge work. In macroeconomic terms, this raises a classic question in labour economics: whether productivity-enhancing innovation ultimately expands employment by creating new sectors, or whether it primarily redistributes bargaining power and income toward those who own capital and scarce expertise. The empirical record is mixed, and the speed and unevenness of diffusion across industries complicate any simple story of either inevitable “job apocalypse” or effortless prosperity.

B

Central to a more precise diagnosis is the task-based approach associated with scholars such as David Autor and, in related debates, Daron Acemoglu. The core claim is not that entire occupations vanish overnight, but that they are composed of bundles of tasks—some routine and codifiable, others context-dependent and relational. Automation tends to target the discrete activities that can be formalised into rules or learned from data at scale. Consequently, the first-order effect in many workplaces is “unbundling” rather than extinction: certain cognitive components are absorbed by software while the remaining human components are reorganised into redesigned roles. This is why a job title may persist while its daily content changes dramatically. In practice, workers often shift toward supervision, exception handling, escalation decisions, and communication across teams—functions that become more salient precisely because automated systems create new failure modes, new compliance requirements, and new forms of risk that must be interpreted in context.

C

The phrase “skills gap” is often used loosely, but in analytical terms it refers to a mismatch between the capabilities firms demand and the capabilities workers can credibly supply at the required scale and speed. Importantly, this mismatch is not confined to elite technical talent. While advanced digital literacy and data reasoning are increasingly valued,



organisations commonly report that basic operational fluency—navigating dashboards, interpreting automated outputs, and following security protocols—can be a binding constraint on adoption. At the same time, the much-discussed “soft skills” are not a sentimental add-on; they are complementary assets that determine whether technology amplifies or undermines performance. Critical thinking and complex problem-solving matter because automated tools can produce plausible but flawed outputs; collaboration and empathy matter because many redesigned roles involve persuading stakeholders, coordinating across functions, and managing the human consequences of change. Thus the gap is best understood as a compound deficit spanning both hard competencies and interpersonal competence, with the balance varying by sector and occupation.

D

Education systems—and, just as importantly, corporate training regimes—often adapt more slowly than technological deployment. Critics of industrial-era schooling argue that an overreliance on rote memorisation and standardised testing can crowd out the kinds of transferable reasoning and communication skills that are difficult to automate and essential to working with complex tools. Reform proposals therefore emphasise computational thinking, project-based learning, and structured practice in teamwork. However, the bottleneck is not only schools. Firms that invest in automation while treating training as an afterthought can create “implementation gaps”: tools exist, but the workforce cannot translate them into reliable productivity improvements. In such settings, errors rise, exceptions accumulate, and employees fall back on older processes, producing the appearance that automation “doesn’t work” when the deeper issue is inadequate human capital investment. A common response is modular, just-in-time training—short learning units delivered when a new system is introduced—because it lowers cognitive overload and reduces the time it takes for workers to reach competence in redesigned roles.

E

For adults, the pressure intensifies because the half-life of professional skills appears to be shrinking, making the old model—front-loaded education followed by decades of relatively stable practice—less plausible. Yet the obstacle is not merely logistical; it is psychological and social. Workers may interpret reskilling demands as a signal that their experience is being devalued, or they may fear that training is a prelude to redundancy. Time scarcity, caregiving responsibilities, and financial constraints can further limit participation. Moreover, the most vulnerable workers are often those least able to absorb risk: mid-skilled employees in roles built around repetitive processes may face displacement without clear pathways into newly created tasks. The result is that “lifelong learning” functions less as a slogan and more as a contested institutional project,



requiring credible credentials, employer recognition, and pathways that convert learning into mobility rather than merely adding pressure to already stressed workers.

F

Public policy can shape whether these transitions are smooth or chaotic. Governments may subsidise training, offer tax incentives for reskilling investments, and strengthen safety nets for workers moving between industries. Some proposals go further, advocating universal basic income (UBI) to buffer the shocks of displacement; proponents argue it can reduce fear and enable risk-taking in retraining, while critics warn it may be fiscally costly and politically fragile, and may not address the deeper need for meaningful work and skill formation. Policy makers also face distributional questions. If the gains from automation accrue disproportionately to capital owners and a narrow slice of highly skilled labour, income inequality—or, more broadly, wealth disparity—can widen. In that scenario, the “skills gap” becomes entangled with a “power gap”, intensifying social tension and eroding trust in institutions. Effective policy therefore must combine incentives for innovation with credible mechanisms for spreading opportunity, including portable benefits and support for regions and sectors experiencing concentrated disruption.

G

Taken together, the evidence suggests that extreme narratives are analytically weak. A purely optimistic view assumes that markets will automatically generate new jobs fast enough and that workers can effortlessly reposition themselves; a purely pessimistic view assumes a near-term collapse of employment as systems replace whole occupations. A more defensible conclusion is conditional: automation can augment human capabilities and raise living standards if transitions are actively managed through education reform, workplace training, and policy support that reduces transition frictions. The decisive variable is not whether technology advances—history makes that likely—but whether societies build the institutions that convert technological potential into broadly shared productivity, rather than allowing the benefits to concentrate while the costs are socialised. In that sense, the “future of work” is not a prediction but a governance problem: the same tools can produce either coordinated upgrading or widening segmentation, depending on how the skills gap is understood and addressed.

Questions 27–31

Choose **YES** if the statement agrees with the claims of the writer, choose **NO** if the statement contradicts the claims of the writer, or choose **NOT GIVEN** if it is impossible to say what the writer thinks about this.



27 The writer argues that recent automation is increasingly capable of taking over certain knowledge-based activities, not only routine physical labour.

28 The writer states that there is conclusive evidence that automation will increase total employment in the long run.

29 The writer implies that occupation titles may remain stable even while the content of those roles is substantially reorganised.

30 The writer suggests that the “skills gap” should be understood as a shortage of advanced coding talent rather than a broader mismatch affecting many workers.

31 The writer maintains that universal basic income is the most effective and politically reliable solution to automation-related disruption.

Questions 32–35

Look at the following summary and the list of words below. Choose the correct letter, **A–H**, for each answer.

Summary of key ideas

A task-based perspective holds that automation typically targets discrete activities within jobs, leading first to occupational **32** rather than immediate disappearance. The resulting “skills gap” is not confined to elite expertise: many organisations struggle with baseline digital fluency and also depend on **33** to ensure tools are used effectively in complex social settings. Because both schools and firms often adapt slowly, some employers rely on **34** to reduce overload and accelerate competence when new systems arrive. The writer warns that if benefits concentrate among those already advantaged, automation may contribute to widening **35**

Box

- A** credential inflation
- B** interpersonal competence
- C** cultural assimilation
- D** wealth disparity
- E** unbundling
- F** occupational licensing
- G** perfect substitution
- H** microlearning modules

Questions 36–40



Select the correct answer.

36 Why does the writer emphasise the task-based approach to automation?

- A** To claim that automation rarely affects any part of professional work
- B** To explain why job redesign is a more typical early outcome than whole-occupation extinction
- C** To argue that only manual routines can be automated with current technology
- D** To suggest that labour-market institutions play little role in shaping outcomes

37 What is the writer's position on "soft skills" in the context of the skills gap?

- A** They are complements to technology because they help workers evaluate outputs and coordinate action
- B** They are largely irrelevant once workers acquire advanced technical credentials
- C** They matter mainly for senior executives, not for ordinary employees
- D** They reduce efficiency because they slow decision-making in automated workflows

38 What does the passage suggest is a common reason automation investments fail to deliver expected gains?

- A** Automated tools usually become obsolete before they can be implemented
- B** Workers prefer older systems even when training is sufficient
- C** Organisations neglect training, creating implementation gaps that block productivity improvements
- D** Productivity gains are impossible until all firms adopt the same platform

39 Which concern does the writer raise about lifelong learning for adults?

- A** It is unnecessary because most workers will keep one stable career
- B** It is mainly blocked by a lack of educational research on teaching methods
- C** It is too easy to pursue because employers consistently reward new credentials
- D** It faces psychological and practical barriers, especially for workers least able to absorb risk

40 What best captures the writer's overall view of automation's long-term effect?

- A** Outcomes depend on institutions that manage transitions and distribute gains, not on technology alone
- B** Automation will inevitably reduce employment regardless of policy and education reform
- C** The labour market will automatically adjust, making policy intervention largely redundant
- D** The main challenge is technical, since social and political factors are secondary



Answer Key

27. YES

28. NO

29. YES

30. NO

31. NO

32. E

33. B

34. H

35. D

36. B

37. A

38. C

39. D

40. A