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The role of Public Employment Services in the job search behaviour of Italian NEETs

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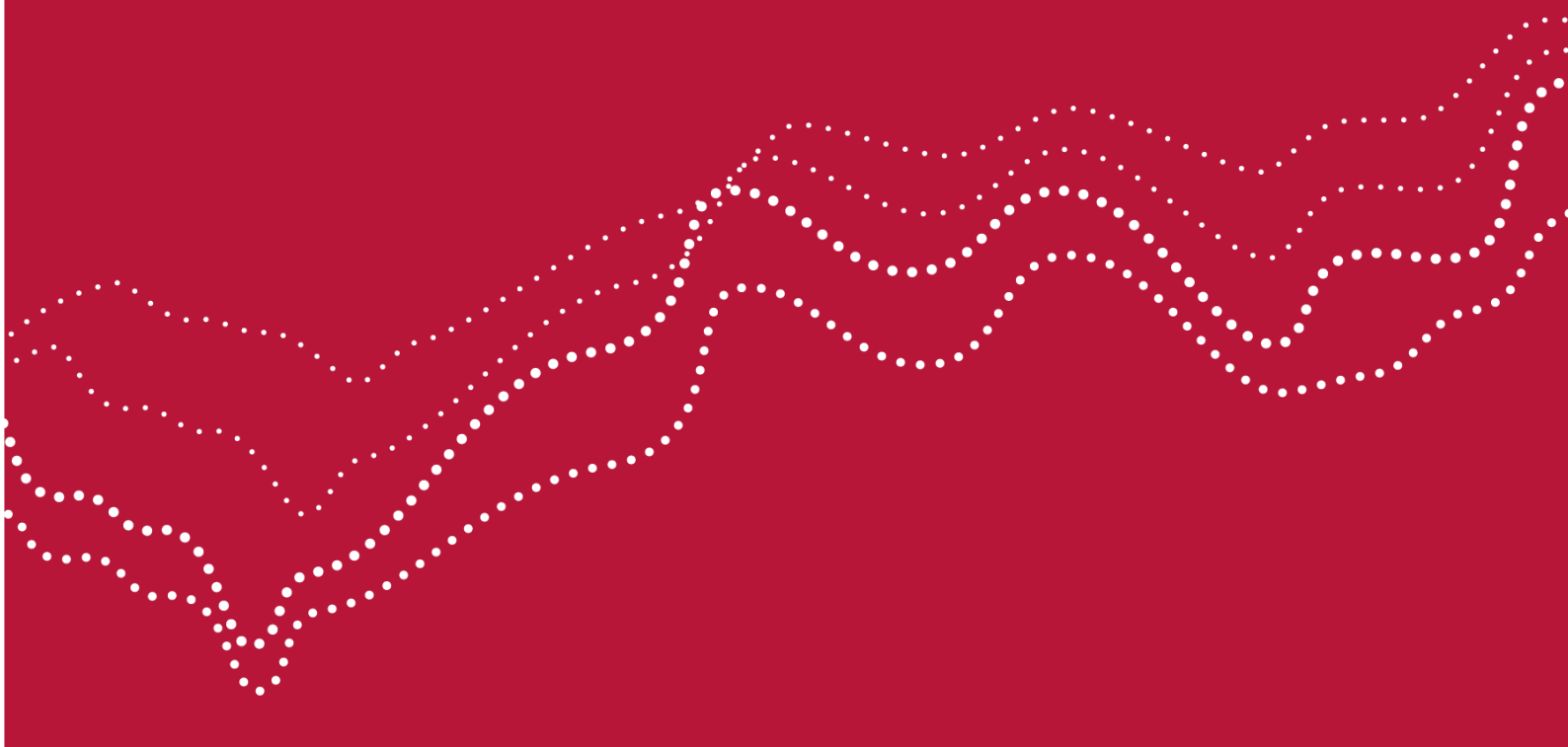

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ABSTRACT

This outreach report is devoted to the study of the positioning of the Public Employment Services (PES) in the job-search behaviour of Italian NEETs and their effectiveness in providing support to young jobseekers. We assess the ties between the young population and the PES and then evaluate the strategies used by Italian NEETs to look for a job, with a focus on the reliance on PES. Our findings show that the incidence of young NEETs that rely on PES services is very limited. The reasons of the difficulties in the performance of PES are multifaceted and can be attributed both to the labour supply and labour demand conditions in Italy in the time-window of our analysis. Results for 2020, which account for the effects of policies to prevent the diffusion of COVID-19, return a picture that is coherent with previous evidence.

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Table of content

This report is devoted to the study of the positioning of the Public Employment Services (PES) in the job-search behaviour of Italian NEETs and their effectiveness in providing support to young jobseekers. We assess the ties between the young population and the PES and then evaluate the strategies used by Italian NEETs to look for a job, with a focus on the reliance on PES. Section 1 is devoted to the description of the sample and the definition of the relevant variables. Section 2 is devoted to PES coverage on the total young population as a measure of the established relationship between the latter and the public services. Section 3 deals with the diversification of job-search strategies by the NEET population, highlighting the PES role among them; secondly, the section also addresses the effectiveness of PES in the placement of young individuals. Finally, Section 4 draws remarks on the most relevant findings of the chapter. The main analysis covers the 2014-2019 period; some aspects are also analysed for year 2020 to assess how the pandemic has affected the relationship between NEETs and PES.

1. Sample and variables

The data used for the analysis are the Italian Labour Force Survey microdata for research provided by the Italian National Institute of Statistics (ISTAT). Compared to the version released by Eurostat, composed by core and *ad hoc modules* standardised across the participating countries, it includes additional country-specific items throughout the questionnaire. The analysis is mostly referred to six years, 2014 through 2019, to obtain a larger number of observations to overcome the issue of sample dimension and its effects on errors in the estimates – which is around 5% on average on a 50.000 individual sample. However, we also added some statistics and figures for 2020 to assess the impact of the COVID-19 pandemic. We develop the analysis for the population of individuals 15-29 under the Eurostat NEET definition, i.e., individuals in the considered age range that are not employed and not involved in a formal educational or training track. The exception, which holds for the whole project, is that we include in the NEET population individuals attending informal education or training and mothers of new-borns up to 2 years of age.

The following sections are based on three main IT-LFS questions: a) whether the individual has ever been in contact with a PES and the reason for the last visit to a PES; b) job search actions performed by unemployed in the 4 weeks before the interview; c) channels through which employed have found the current job. Together they allow us to compose the picture on the role of Italian PES in addressing the NEET target group. These topics are addressed accounting to four main dimensions: gender, age, educational attainment, and geographical area of residence of the NEET[1].

[1] These variables were transformed as follow: Age (item *etam*) is recoded to 5-years classes ([15,19],[20,24],[25,29]); regions are aggregated into macro-regions (North – ITC, ITH, Centre – ITI, South –

As shown in Table 1, the NEET sample is made by 89,493 records, which refers to the NEET population constituted by 2,208,983 individuals, 24.1% of the reference population of individuals in the same age-class[2].

Table 1 Sample characteristics, population [15-29]. 2014-2020

Year	[15-29] sample	[15-29] population	NEET sample	NEET population	NEET share
2014	81785	9282690	19969	2378420	25.62%
2015	79982	9196191	18797	2304619	25.06%
2016	77353	9149925	17377	2164240	23.65%
2017	76524	9114821	17057	2137174	23.45%
2018	75492	9090191	16293	2060460	22.67%
2019	74250	9060142	15273	1954701	21.57%
2020	69945	9020401	14739	2037133	22.58%
Total	391136	9166764	89493	2208983	24.10%

2. PES coverage among the youth Italian population as the degree of potential ties

The data used for the analysis are the Italian Labour Force Survey microdata for research provided by the Italian National Institute of Statistics (ISTAT). Compared to the version released by Eurostat, composed by core and PES coverage can be seen as a proxy of the potential formal ties with the public services, which individuals can rely on in case of need. Indeed, the PES have been devoted to the identification of vulnerable individuals and

ITF, ITG); the highest achievement in education is coded to a 5-levels variable that tries to account for early exit from school (group ISCED 000, 100 and 200), the early tracking of Italian high school system by dividing vocational (ISCED 303,400,500) and general secondary schools (ISCED 304) and dividing the university system in bachelor (ISCED 600) and higher courses (ISCED 700 and 800)

[2] It is worth noting that the sample for 2020 is smaller than the 2019 sample – a drop of 4,305 observations (-5.7%). While a reduction can be observed in the previous years as well, possibly linked to sampling and changes in the demographic structure of the country, the reduction is far more prevalent in 2020. Due to the COVID-19 pandemic and for health-preservation purposes, the National Statistical Institute substituted the in-presence interview (CAPI) with the telephone interview (CATI), which reduced the outreach in administering the questionnaire (ISTAT, 2020:26). Nevertheless, the weighting procedure allowed to keep the sampling error within the standard boundaries.

provide the appropriate services, beyond labour market ones (ANPAL, 2018b). The services provided by the PES are divided in eight areas (ANPAL, 2018a, p. 18): registration and general information, basic and advanced orienteering, matching and job-search support, job placement for disadvantaged categories, vocational training, support to entrepreneurship and services to firms.

The data reported in Table 2 show that while almost 71% of individuals aged 15-29 visited the PES at least once in their life, this share drops at 43% when considering the NEET population aged 15-29. This means that almost 2 out of 3 NEET (57%) has never been to a PES.

Interestingly, in 2020 the share of youth and NEETs visiting PES has increased probably to certify the unemployment status and access unemployment benefits.

Table 2 PES use, all individuals aged [15-29]. 2014-2020

	[15-29]	**NEET**	**NEET share**
Never been to PES			
2014-2019	2633326 (29.1%)	1206727 (56.6%)	45.8%
2020	2217720 (25.0%)	977715 (49.4%)	44.1%
Been at PES at least once			
2014-2019	6404347 (70.9%)	924554 (43.4%)	14.4%
2020	6662119 (75.0%)	1001894 (50.6%)	15.0%

Considering the composition of NEETs who are PES users, reported in Table 3[3], we see that they are mainly female (, 57.6%), relatively older (40% of them belong to the [25-29] age group) and low educated (they mainly attained up to compulsory school (44%) and secondary general education (35%), while only a minority has a vocational school degree

[3] Due to the low number of observations, reliable figures under these categories for year 2020 only cannot be computed.

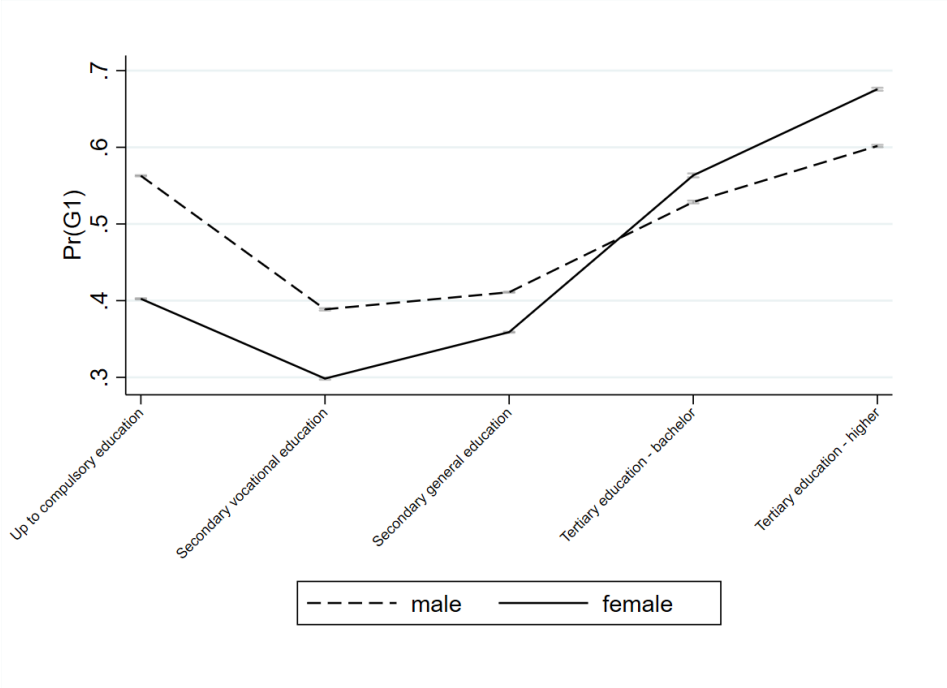
(7%) or a university degree (overall 14%). The largest number of NEET users is concentrated in southern regions (45%), followed by northern (38%) ones.

Table 3 PES users NEET, [15-29] and composition by gender, are, higher educational attainment and macro-area. 2014-2019

	NEET	Share of PES users
Overall	924554	100.0
Female	532443	57.6
Male	392111	42.4
[15-19]	222158	24.0
[20-24]	333748	36.1
[25-29]	368648	39.9
Compulsory education	406153	43.9
Secondary general education	326246	35.3
Secondary vocational education	65457	7.1
Tertiary education - bachelor	48059	5.2
Tertiary education - higher	78640	8.5
North	352813	38.2
Centre	156826	17.0
South	414915	44.9

If we consider the visits to PES in a multivariate context (Figure 1, see appendix for the full regression), we find that the probability is higher for both lowest and highest educational attainments, with lower probability of participation for individuals in secondary education.

Figure 1 Probit model of PES use. 2014-2020



Note: Margins for all covariates: gender, age (mean), education, area (mean). CI 99%.

Gender is an important dimension: results show that the probability of visiting a PES for women is less volatile and on average higher than for men, while the latter are more polarised, with a strong divide between those that attended university, who have higher probability of visiting a PES, and young individuals with secondary or lower educational attainment.

2.1. Why do NEETs visit PES?

The content of the last visit, for those who have been at PES at least once, provided in Table 4, is indeed informative on the character of the connection established with the young population. Here we summarise the rich information available in fewer categories: job offers (employment offer, apprenticeship offer, job selection proposal), training offers (regional and non-regional courses), registration and information update (first and renewed employment availability statement, first information or compilation or update of the personal professional card – SAP), orienteering (subscription of the Service Pact, advice/employment guidance) and verification of opportunities.

The data show that the reason why the individuals got in contact with the PES is mainly for administrative purposes, namely registration (68.7%), and orienteering (5.0%), while PES calls for job offers or training course offers are marginal, being respectively 1.2% and 2.3% of the reasons of the last visit. Such activities belong to the initial stages of the service, the so called "core tasks", according to the classification provided by the agency (ANPAL, 2018a, p. 26); indeed they belong to three out of the previously mentioned eight areas of the services[4], namely registration, basic orienteering and matching. The main reasons for the weakness of PESs' action seem to be due to either the demand side – as few job vacancies are present (relevant for 55% of the offices) as well as structural crisis in the local market (relevant for 43.4% of offices) – and the supply side – high unemployment, low propensity to move, mismatch and lack of skills are the most characterising factors (ANPAL, 2018a). Basically, the data available from the IT-LFS shows that the PESs act as an administrative office that update the unemployment status of individuals, which entitles them to receive the unemployment benefits, while the active part of the service is viable in a minority of cases.

In 2020 a sensible drop in the training offers has been registered due to the various lockdowns and anti-diffusion measures put in place to contrast the COVID-19 pandemic

[4] Services to firms are listed in the eight functional areas in which PES act, but we are not covering them because they are not relevant in our analysis.

Table 4 PES services used in last visit by NEET. 2014-2020

	Job offer		Training		Registration		Orienteering		Others	
	2014-2019	**2020**	**2014-2019**	**2020**	**2014-2019**	**2020**	**2014-2019**	**2020**	**2014-2019**	**2020**
Total	1.2%	1.3%	2.3%	0.8%	68.7%	70.0%	5.0%	6.6%	3.4%	3.9%
Female	1.3%		2.2%		69.5%		4.8%		3.3%	
Male	1.1%		2.3%		68.0%		5.1%		3.5%	
[15-19]	0.8%		2.1%		75.3%		5.2%		2.0%	
[20-24]	1.2%		2.2%		68.9%		5.0%		3.0%	
[25-29]	1.2%		2.3%		67.1%		4.9%		4.1%	
Compulsory education	0.8%		2.4%		67.0%		5.0%		3.2%	
Secondary general education	1.4%		2.1%		69.3%		4.9%		3.6%	
Secondary vocational education	1.1%		2.7%		69.2%		4.9%		2.5%	
Tertiary education - bachelor	2.0%		2.3%		69.4%		5.5%		2.9%	
Tertiary education - higher	1.6%		2.1%		71.1%		5.0%		4.1%	
North	1.4%		2.6%		67.5%		5.1%		2.3%	
Centre	1.9%		2.7%		67.7%		4.6%		2.2%	
South	0.9%		1.9%		69.6%		5.0%		4.3%	

For each visit, more than one service can be provided. Disaggergation for year 2020 are not available due to low number of observations.

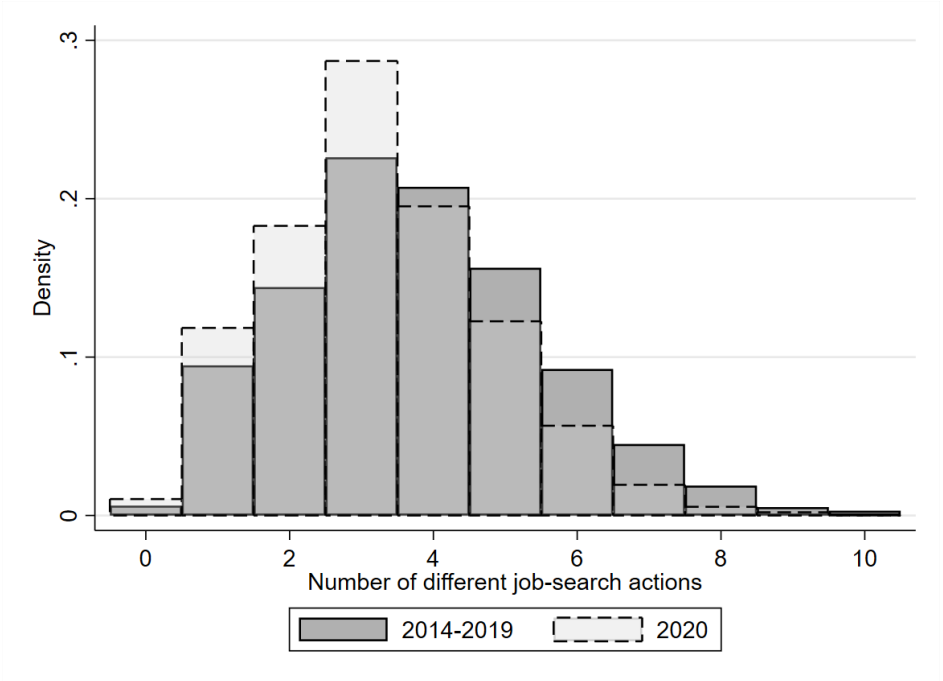
3. NEET job-search strategies diversification: which role for the PES?

The Labour Force Survey covers extensively the type of actions performed by unemployed in the 4 weeks before the interview. The actions considered in our analysis are: contact with a PES with the purpose of job-search; contact with a Temporary Employment Agency (TEA) or others non-PES institutions; interview with an employer; participation to a public competition; application for a public competition; study advertisement on newspaper or journals; answer to ads on newspapers or journals; delivery of an application or CV to a private employer; ask relatives, friends, acquaintances or trade unions; look on the internet. The actions are not mutually exclusive, and we build a variable that counts the recurrence of positive answers to this set of questions – therefore, the index domain is [0,10]. The index measures the scope of the search behaviour of the individual, while it is not informative in terms of search intensity.

Table 5 Average number of different job-search actions performed by NEET in the 4 weeks before the interview. 2014-2020

	2014-2019	2020
Total	3.8	3.3
Female	3.8	
Male	3.8	
[15-19]	3.5	
[20-24]	3.9	
[25-29]	3.8	
Compulsory education	3.4	
Secondary general education	3.9	
Secondary vocational education	4.0	
Tertiary education - bachelor	4.2	
Tertiary education - higher	4.2	
North	4.3	
Centre	3.9	
South	3.4	
Never been to PES	4.0	
Been to PES at least once	3.2	

Figure 2 Number of job-search actions put in place by NEET, comparison 2014-2019 vs 2020



Unemployed NEETs in Italy perform on average 3.8 job-search actions in the 4 weeks before the interview. The diversification is higher for higher level of education (3.4 for compulsory education, 4.0 for vocational and general high school and 4.2 for university bachelor). Our data suggest that there are no differences in these respects imputable to gender and low effects of age. Geographical differences are relevant in describing the variation in job-search diversification5. NEETs resident in the southern regions perform on average 3.4 actions, lower than those in central (3.9) and northern (4.3) regions. Finally, if we consider NEETs who have never been to PES, we find that they diversify job search activities more than the NEETs that who have been to PES at least once in their life (4.0 actions and 3.2 respectively). Additionally, a reduction in the number of different actions performed by NEETs in their job search activity is registered in year 2020, as shown in Figure 2.

[5] It is worth noting that the macro-region classification reflects the underlying lower regional variation quite well. Indeed, the ordering by diversification is such that region belonging to the same macro-region are neighbouring in the ranking. The only exceptions are constituted by Liguria, which scores lower than the macro-region of belonging and Abruzzo, which scores higher than the other southern regions.

3.1.The role of informal channels

Similarly, to what highlighted above, when we consider the type of job-search actions that are performed by NEETs, no significant differences are detected as far as age and gender are concerned. The results are presented in Table 6. The most diffused action to find a job is to rely to informal channels, namely NEETs perform requests to relatives, acquaintances or trade unions or they transmit directly the CV to an employer of interest for a speculative application. Such channels are used, respectively by the 86% and the 79% of the NEETs looking for a job. The channel ranking third by incidence in the NEET population is the use of the internet (70%), which is mainly used to browse and reply to applications. Internet has been observed to increase in diffusion while the traditional channel of newspaper has been declining in use - among 30% of the NEETs6 - pointing at a phenomenon of substitution between them (ANPAL, 2019). In year 2020 we see a reduction in the typologies of job-search actions made by NEETs, with the only exception of Internet searches.

The use of internet to find a job is highly dependent on the educational attainment of the interviewee: the higher the latter the higher the use of the internet channel to search for a job (from 55% for compulsory school to 86% for university). The lower use of the internet channel among individuals with lower schooling may be due to the contents of the job which is more likely to be manual and requires a direct screening by the employer; in addition, reputation, and its word-of-mouth diffusion, in the local labour market may matter most in these occupations, as supported by the high reliance on acquaintances and relatives as channels to find a job. Moreover, the decrease of diversification for higher university attainment may be linked to the role of university internships in the transition to the labour market[7].

Interviews with private employers recur among 29% of NEETs while the application and participation to public competitions takes place among a minority of the population, due to the constrained turnover in public administrations.

[6] The answer ratio is very different between the two media, though. Internet users that declare to browse offers are 70.4% while those replying or inserting ads are 21.6%, which leads to a ratio of 0.3. Considering the case of newspapers, the ratio is 0.65, as 30.3% of individuals declare to browse the ads and 19.8% to answer them. Whether such differences are imputable to the medium characteristics or users' we cannot distinguish with the available data.

[7] According to ISTAT (2017) 36,1% of young individuals with a university degree attended an internship or an apprenticeship organised with the intermediation of the school (25,8% for young individuals holding a secondary school degree) in 2016.

Table 6 Channels used in job-search by NEET. 2014-2020

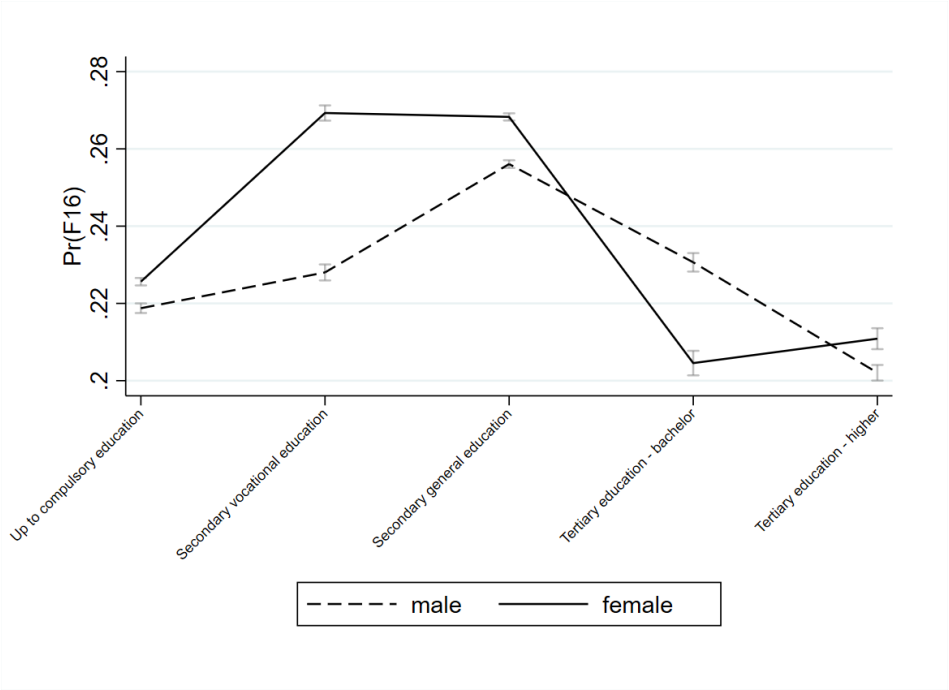
	PES		TEA or others non-PES		Interview		Public competition		Newspaper		Speculative application		Relatives, acquaintances		Look on the internet	
	2014-2019	2020	2014-2019	2020	2014-2019	2020	2014-2019	2020	2014-2019	2020	2014-2019	2020	2014-2019	2020	2014-2019	2020
Total	25.3%	16.2%	16.4%	11.0%	29.3%	22.9%	3.3%	2.9%	38.4%	23.0%	79.2%	75.0%	86.1%	80.2%	70.4%	73.3%
Female	25.1%		16.6%		29.4%		3.4%		38.9%		80.2%		85.3%		72.2%	
Male	25.4%		16.2%		29.2%		3.2%		38.0%		78.4%		86.8%		68.9%	
[15-19]	24.9%		14.0%		27.0%		2.1%		35.5%		73.0%		86.4%		62.0%	
[20-24]	26.6%		17.1%		29.3%		3.0%		39.5%		80.0%		87.4%		71.1%	
[25-29]	24.1%		16.2%		29.9%		3.8%		38.1%		79.9%		84.8%		71.7%	
Compulsory education	22.7%		12.5%		25.0%		1.6%		36.9%		69.3%		90.3%		54.9%	
Secondary general education	27.0%		17.1%		30.3%		3.3%		38.7%		83.9%		85.6%		77.5%	
Secondary vocational education	29.0%		23.8%		29.6%		1.5%		41.3%		81.1%		88.8%		71.6%	
Tertiary education - bachelor	24.8%		19.3%		34.8%		7.6%		40.4%		87.5%		75.6%		86.3%	
Tertiary education - higher	20.9%		17.2%		39.5%		10.8%		38.7%		87.5%		72.4%		85.3%	
North	31.6%		32.4%		34.4%		2.1%		47.0%		85.6%		85.4%		80.4%	
Centre	28.9%		15.6%		31.7%		4.2%		41.9%		79.9%		83.5%		72.1%	
South	20.5%		7.5%		25.7%		3.6%		32.5%		75.4%		87.3%		64.2%	

3.2. Job-search through PES

In this section we focus on the 25.3% of NEETs who declare they have been in contact with a PES office to look for work in the reference period (4 weeks before the interview). PESs are mainly used by NEETs owning a diploma (27% for general secondary school and 29% for vocational school) or a bachelor's degree (25%). Overall, the phenomena are equally diffused among both genders. Accounting for the geographical dimension, we can see that in southern regions PES are used in 20% of cases, while in central and northern regions in the 29% and 32% of the cases respectively. The geographical dimension becomes relevant if we compare the diffusion of public (PES) and private employment agencies (TEA). Indeed, in northern regions higher PES attendance (31.6%) is coupled with similar TEA usage (32.4%), while in southern regions not only the incidence of visits to PES is lower than in northern regions, also the visits to TEA is particularly low (7.5%); central regions score almost at the same level of northern regions as far as PES are concerned (29%) while the frequency of use of TEA is about a half than in the North (15.6%), though higher than in the south.

By mean of a multivariate analysis it is possible to account for the simultaneous effect of the different dimensions in the choice to turn to the PES to look for a job. We estimate a probit model with dependent variable the dichotomous choice to visit a PES or not and gender and age of the individual (in 5 years classes), the highest educational attainment reached and the area of residence as covariates. The result is presented in Figure 3 and shows that the probability of visiting a PES for job-search is highest for men in secondary education. Resorting to a PES is always lower for women except for women with bachelor education, as there is a drop in male reliance on PES for the same category. This may suggest a highest attachment to institutions among educated women, that seek support in a market which still maintains many forms of discrimination, either in terms of access, stability and wage; on the same line of argument, higher tertiary education may provide other channels to access the job market, e.g. internships.

Figure 3 Probability of visiting PES for job-search in the 4 weeks before the interview. 2014-2020.



Note: Margins for all covariates: gender, age (mean), education, area (mean). CI 99%.

3.3. PES effectiveness in placement

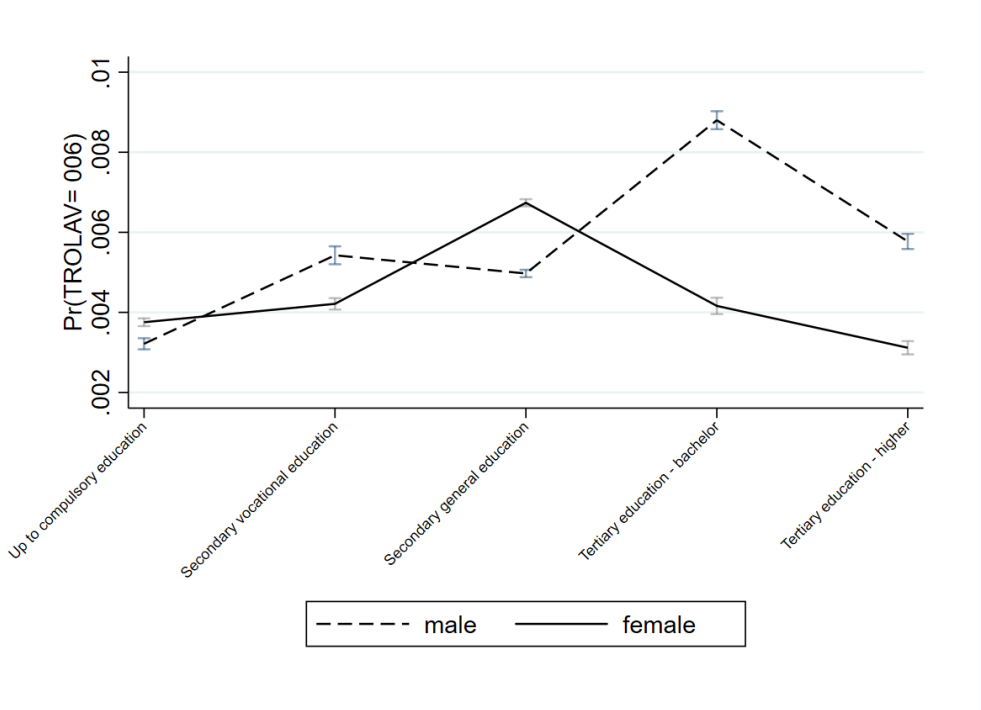
We can complement the information on the role of the PES in the job-search strategies of young cohorts by enquiring the degree of effectiveness in job placement of PES. The first row of Table 7 summarizes the composition of [15-29] employed individuals by channel through which they found their current job, while the remaining part of the table reports extensive results by gender, age, educational attainment and geographical area of residence. The channel of informal social network - that include family, relatives, acquaintances and trade unions, whose importance in job-seeking activities has been highlighted in the previous paragraphs - have been used by 2 young individuals out of 5 to find the current occupation. 1 young individual out of 5 has relied on direct job application. The remaining 20% of employed individuals are scattered on a large variety of channels, including PES, that account for 0.4%.

Incidence of different channels by gender is slight. Nevertheless, we can highlight that woman find a job relatively more frequently than men via direct job applications (24.4% vs 19.8%) while the informal channel of family and relatives has been used relatively more by men than women (38.6% vs 33.1%, respectively). Higher educational attainment shows lower share of individuals relying on informal ties in successfully finding a job. Considering

geographical differences, direct job application matter most in southern (25.5%) than northern (19.6%) Italy, while the Centre displays higher shares of employment found via informal channels (40%) compared to norther (34%) and southern (38%) regions.

Despite the low figures of placement by PES, we shall attempt a multivariate analysis on the characteristics that are related with being employed through such channel. Figure 4 shows the results of the estimation of the model for the probability of having found the current job through a PES among those who are working during the reference week, accounting for gender, age, educational attainment, and geographical area of residence as explanatory variables. We can see that gender differences are relevant for university degree holders, for whom female job seekers are less successful compared to men.

Figure 4 Probability of having found the current job through PES (conditional of having found a job). 2014-2020



Note: Margins for all covariates: gender, age (mean), education, area (mean). CI 99%.

Table 7 Individuals aged [15-29] employed by channel though which they found a job. Composition by gender, age, education and area of residence. Percentage on employed [15-29], 2014-2020

	PES	Previous experiences in same company	Via family and/or relatives	Contacted directly by employer	Direct job application	TEA or other non-PES	Start own business	Public recruitment competitions	Recommendation of schools, universities, training centres	Answered advertisement	Other	Don't know
Total	0.5%	6.0%	36.3%	6.1%	21.7%	5.3%	8.1%	3.7%	3.2%	4.9%	0.6%	0.2%
Female	0.5%	6.3%	33.1%	6.3%	24.4%	4.5%	6.8%	4.3%	3.1%	6.4%	0.6%	0.3%
Male	0.5%	5.7%	38.6%	5.9%	19.8%	5.9%	9.1%	3.3%	3.2%	3.8%	0.5%	0.2%
[15-19]	0.5%	7.1%	43.9%	4.8%	20.%2	4.7%	2.0%	1.0%	6.8%	3.8%	0.8%	0.3%
[20-24]	0.6%	5.6%	39.3%	5.8%	22.5%	5.8%	5.4%	2.5%	3.2%	4.7%	0.6%	0.2%
[25-29]	0.4%	6.1%	34.4%	6.3%	21.4%	5.1%	9.9%	4.5%	3.0%	5.1%	0.6%	0.2%
Compulsory education	0.3%	4.2%	49.6%	4.7%	20.0%	4.2%	8.2%	1.1%	1.1%	2.1%	0.4%	0.2%
Secondary general education	0.6%	5.5%	36.9%	6.0%	22.6%	5.9%	7.4%	3.1%	2.4%	5.1%	0.6%	0.3%
Secondary vocational education	0.5%	7.0%	39.6%	4.9%	22.5%	6.6%	6.2%	1.4%	3.7%	3.7%	0.4%	0.2%
Tertiary education - bachelor	0.5%	7.9%	20.2%	8.3%	22.3%	4.8%	10.8%	8.3%	4.7%	8.7%	0.6%	0.3%
Tertiary education - higher	0.4%	9.3%	15.6%	8.9%	19.7%	3.5%	11.7%	10.6%	9.9%	7.6%	0.9%	0.2%
North	0.6%	6.4%	34.1%	6.5%	20.6%	7.8%	6.8%	3.2%	4.3%	6.0%	0.5%	0.2%
Centre	0.5%	6.3%	40.1%	5.5%	19.8%	3.4%	8.1%	4.2%	2.9%	4.5%	0.6%	0.3%
South	0.4%	4.8%	38.2%	5.7%	25.5%	1.6%	11.0%	4.5%	1.2%	3.1%	0.7%	0.3%

4. Conclusions

The aim of this study is to enquire the role that PES play in the job-seeking activities of Italian NEETs in the last six years, 2014-2019. PES coverage, in terms of visit to a PES at least once in life, in the overall [15-29] population has been high, (70.9%), while in the subpopulation of NEETs it shows much lower figures (43.4%). The low use of the PES by NEET is coupled with the delivery of administrative services rather than human-capital enhancing activities, such as training or support in job-search. The former, which are limited in most cases to the registration of the unemployment status, are ancillary to the receiving of unemployment benefits or employment incentives. In such a context, the complementary active labour policies are delivered in a negligible number of cases, with even lower effectiveness in placement by the same PES. An interesting result that can add in these respects is that university degree holders have a higher probability of visiting a PES, while they are the category who scores the lowest in the reliance on PES for job search. This seems to suggest that screening of new employees and the process of selection takes place outside the PES and the latter are integrated in the process of hiring only in an instrumental way.

The reasons of the difficulties in the performance of PES are multifaceted and can be attributed both to the labour supply and labour demand conditions in Italy in the time-window of our analysis. In particular, weak labour demand, mainly due to low number of vacancies, and skills mismatch are the main drivers of the problems in the effectiveness of PES and this may be the case either because firms do not rely on PES for job posting or because of the general conditions of the economy are weak (or a combination of the two).

From the geographical point of view our analysis suggests a larger role for the PES in northern and central regions. In addition, northern regions show a unique pattern in the use of private employment services, which are diffused as much as public ones but also prove higher effectiveness in job placement with respect the other geographical areas. Finally, an important result is that women display larger success in finding a job through PES compared to men – especially those who hold a university degree – and an average higher attachment to PES. This seems to support the argument that, in a market which still maintains many forms of discrimination, women may find support by public institution to compensate for such gap in access to the labour market.

Figures for 2020 return a picture that is coherent with previous evidence. Statistics show an increase in the number of NEETs and a parallel larger increase in the share of visitors to PES among NEETs than for the whole population of those aged [15-29]. At the same time the reduction in the number of different search actions undertaken by jobseekers was more skewed towards PES, with a larger drop in the incidence of this channel among

young individuals compared to the previous period. The small sample does not allow to dig more into the detail of this phenomenon, but the findings seem to confirm the complexity of the factors impacting the performance of PES, which involve demand and supply side of the market, as well as the level of funding devoted to PES activities. Nevertheless, it will be important to monitor them in the coming years as funds from the Recovery and Resilience Facility, together with national funds, are planned to be channelled to the PES to strengthen the services by increasing the number of employees and the resources available for their activities.

5. References

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Appendix

As a source of specific information on the topic of job search and closeness to PES we rely on items in the sections F (Search for employment) and G (Employment services and agencies) of the questionnaire[8], while we rely on section C (Main job) to enquire the effectiveness of the PES in placing young individuals.
Questions F16 through F25 are devoted to job search activities performed in the 4 weeks before the reference week. Such structure of the items is functional to the sensitivity of the survey, as it can register a variety of strategies used by the interviewee. With the purpose of measuring such diversification we build a variable that counts the recurrence of positive answers to this set of questions. Note that the variable is not a measure of intensity of job search but of the scope of it.
Item G4, that covers the motivation of the interviewee in visiting a PES, was updated in 2018. The variable has been mapped to the set of activities (job offer, training offer, registration, orienteering and other) as presented in Section 1; updates of the item in different years are therefore overcome with the new classification.
Finally, item TROLAV (coded C59AA in editions 2014-2017), which is provided by ISTAT, records the channel through which the employed interviewee found the current job.

List of items (2018)

TROLAV . How did you find this job?
Read only if necessary: please consider the way/method you reckon more important
Read all the answering items
□ *Answered advertisements (also on-line) in newspapers, specialized sites, notice boards, etc 1|_|*
□ *Submission of direct job application to employer 2|_|*
□ *Contacted directly by employer 3|_|*
□ *Via family and/or relatives 4|_|*
□ *Through friends or acquaintances, co-workers or former co-workers (networking) 11|_|*
□ *Public recruitment competitions (including classification of merit for teachers) 5|_|*
□ *Via a public employment agency different from the Public Employment Office 6|_|*
□ *Private employment agency (labour agent, former temp agency) 7|_|*
□ *Recommendation of schools, universities, training centres 8|_|*

[8] We will report the questions drawn from the official English translation of the IT-LFS questionnaire produced by ISTAT.

□ *Previous experiences (stage, apprenticeship, traineeships, activities of short duration) in the same company where you work now 9|_|*

□ *Launching private business 10|_|*

□ *Other **(specify)** _____996|_|*

□ *Don't know 997 |_| **(only for proxy)***

F16. In the 4 weeks from ….. to ….. did you have contacts with the Public Employment Office to find work?

F17. In the 4 weeks from ….. to ….. did you take a test, an interview or an examination with a private employer?

F18. In the 4 weeks from ….. to ….. did you take written/oral examination for a public competition?

F19. In the 4 weeks from ….. to ….. did you send applications to take a public competition?

F20. In the 4 weeks from ….. to ….. did you study advertisements in newspapers or journals?

F21. In the 4 weeks from ….. to ….. did you insert or answer advertisements in newspapers or journals?

F22. In the 4 weeks from ….. to ….. did you send applications and/or CVs directly to private employers?

F23. In the 4 weeks from ….. to ….. did you ask relatives, friends, acquaintances, trade unions to find a job?

F24. In the 4 weeks from ….. to ….. did you look for job on Internet?

F25. In the 4 weeks from ….. to ….. did you have contacts with a temporary employment agency or with other employment agency (except for Public Employment Office) to find work?

F26. In the 4 weeks from ….. to ….. did you look for land, premises, equipment to start a business?

F27. In the 4 weeks from ….. to ….. did you look for permits, licences, financial resources to start a business?

G1. Have you ever had contacts with a Public Employment Office?

G4. What was the reason of the last contact? ***(More than one answering item is possible)***

□ *First information contact and/or compilation or update professional card (SAP) 10|_|*

□ *First employment availability statement (DID) 11|_|*

□ *Renewal of the employment availability statement (DID) or confirm the state of unemployment 12|_|*

□ *Subscription of the Service Pact or Pact for Work 14|_|*

□ *Advice or employment guidance (including training and tutoring to start an independent activity) 8|_|*

□ *Verification the availability of employment opportunities 3|_|*

For an offer to participate to a professional training course organized and/or recognized by the Region 5|_|
For an offer to participate to another type of professional training course (not organized by the Region) 6|_|
For an apprenticeship offer 13|_|
For a job selection proposal 15|_|
For an employment offer 4|_|
*Other **(specify)** 996|_|*
*Don't know 997|_| **(only for proxy)***

Specification of the probit model

We implement three multivariate regressions to estimate the simultaneous effect of socio-demographic characteristics on three dichotomous variables, which respectively record whether the interviewee has ever visited a PES (item G1); whether the interviewee visited a PES to look for a job in the 4 weeks before the interview (item F16); and whether the interviewee found a job though PES, conditional of having found a job (item TROLAV or C59AA). The covariates include indicators for gender, age-class (3 classes of 5 years), level of education (5 classes), geographical area (3 classes) and the interaction between educational attainment and gender. The variables are coded according to the description given in Section 1. Table 8 reports the coefficients and their statistical significance – both standard errors (in parentheses) and p-value levels (as asterisks, being ** a p-value<0.05 and *** a p-value <0.01).

Table 9 Probit models estimates for (1) Ever been to PES (item G1), (2) visited PES in the 4 weeks before in interview to look for a job (item F16) and (3) is employed in a job found through a PES, conditional of having found a job (item trolav==006). 2014-2019

	(1)	(2)	(3)
	Ever been to PES	**Rely on PES in job-search**	**Found a Job through PES**
	Probit, g1=Y/N	**Probit, f16=Y/N**	**Probit, trolav==006**
Male	0	0	0
	(.)	(.)	(.)
Female	-0.447***	0.017***	0.052***
	(0.001)	(0.002)	(0.007)
Compulsory	0	0	0
	(.)	(.)	(.)
Secondary Vocational	-0.495***	0.036***	0.142***
	(0.002)	(0.003)	(0.009)
Secondary General	-0.426***	0.130***	0.149***
	(0.001)	(0.002)	(0.006)
Tertiary Bachelor	-0.132***	0.084***	0.180***
	(0.002)	(0.004)	(0.008)
Tertiary Higher	0.085***	-0.055***	0.123***
	(0.002)	(0.003)	(0.008)
Female # Compulsory	0	0	0
	(.)	(.)	(.)
Female # Secondary Vocational	0.169***	0.112***	-0.093***
	(0.003)	(0.004)	(0.010)
Female # Secondary General	0.300***	0.012***	0.031***
	(0.002)	(0.003)	(0.008)
Female # Tertiary Bachelor	0.566***	-0.157***	-0.295***
	(0.004)	(0.006)	(0.012)
Female # Tertiary Higher	0.680***	-0.011**	-0.273***
	(0.003)	(0.005)	(0.012)
[15-19]	0	0	0
	(.)	(.)	(.)
[20-24]	-0.801***	0.036***	0.049***
	(0.001)	(0.002)	(0.007)
[25-29]	-0.990***	0.005**	-0.021***
	(0.001)	(0.002)	(0.007)
Centre	0	0	0
	(.)	(.)	(.)
North	0.223***	0.086***	0.021***

	(0.001)	(0.002)	(0.003)
South	-0.317***	-0.259***	-0.140***
	(0.001)	(0.002)	(0.004)
2014	0	0	0
	(.)	(.)	(.)
2015	-0.017***	0.032***	-0.014***
	(0.001)	(0.002)	(0.005)
2016	0.020***	-0.077***	0.011**
	(0.001)	(0.002)	(0.005)
2017	0.085***	-0.094***	0.054***
	(0.001)	(0.002)	(0.005)
2018	0.121***	-0.156***	0.167***
	(0.001)	(0.002)	(0.004)
2019	0.127***	-0.127***	0.221***
	(0.001)	(0.002)	(0.004)
constant	0.995***	-0.601***	-2.799***
	(0.002)	(0.003)	0.01
Observations	12800000	5355171	16400000
Level of statistical significance (p-value): * p<0.05, ** p<0.01, *** p<0.001			

Table 10 Probit models estimates for (1) Ever been to PES (item G1), (2) visited PES in the 4 weeks before in interview to look for a job (item F16) and (3) is employed in a job found through a PES, conditional of having found a job (item trolav==006). 2014-2020

	(1)	(2)	(3)
	Ever been to PES	Rely on PES in job-search	Found a Job through PES
	Probit, g1=Y/N	Probit, f16=Y/N	Probit, trolav==006
Male	0	0	0
	(.)	(.)	(.)
Female	-0.442***	0.024***	0.052***
	(0.001)	(0.002)	(0.007)
Compulsory	0	0	0
	(.)	(.)	(.)
Secondary Vocational	-0.481***	0.032***	0.179***
	(0.002)	(0.003)	(0.008)
Secondary General	-0.417***	0.123***	0.148***
	(0.001)	(0.002)	(0.006)
Tertiary Bachelor	-0.094***	0.040***	0.354***
	(0.002)	(0.004)	(0.007)
Tertiary Higher	0.108***	-0.059***	0.201***
	(0.002)	(0.003)	(0.007)
Female # Compulsory	0	0	0
	(.)	(.)	(.)
Female # Secondary Vocational	0.171***	0.110***	-0.140***
	(0.003)	(0.004)	(0.010)
Female # Secondary General	0.292***	0.015***	0.056***
	(0.002)	(0.003)	(0.007)
Female # Tertiary Bachelor	0.537***	-0.114***	-0.319***
	(0.003)	(0.006)	(0.010)
Female # Tertiary Higher	0.655***	0.008	-0.263***
	(0.003)	(0.005)	(0.010)
[15-19]	0	0	0
	(.)	(.)	(.)
[20-24]	-0.810***	0.051***	0.078***
	(0.001)	(0.002)	(0.007)
[25-29]	-1.011***	0.028***	0.029***
	(0.001)	(0.002)	(0.007)
Centre	0	0	0
	(.)	(.)	(.)
North	0.221***	0.096***	0.013***
	(0.001)	(0.002)	(0.003)
South	-0.324***	-0.263***	-0.117***
	(0.001)	(0.002)	(0.003)

2014	0	0	0
	(.)	(.)	(.)
2015	-0.017***	0.032***	-0.017***
	(0.001)	(0.002)	(0.005)
2016	0.020***	-0.078***	0.012**
	(0.001)	(0.002)	(0.005)
2017	0.086***	-0.094***	0.052***
	(0.001)	(0.002)	(0.005)
2018	0.122***	-0.156***	0.163***
	(0.001)	(0.002)	(0.004)
2019	0.127***	-0.127***	0.218***
	(0.001)	(0.002)	(0.004)
2020	0.226***	-0.398***	0.278***
	(0.001)	(0.002)	(0.004)
constant	1.004***	-0.618***	-2.869***
	(0.002)	(0.003)	(0.009)
Observations	14800000	6021218	19100000
Level of statistical significance (p-value): * p<0.05, ** p<0.01, *** p<0.001			

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