
Volume 46
Issue 3 *Dickinson Law Review - Volume 46,*
1941-1942

3-1-1942

Pennsylvania's New Employment Agency Law

M. Louise Rutherford

Follow this and additional works at: <https://ideas.dickinsonlaw.psu.edu/dlra>

Recommended Citation

M. L. Rutherford, *Pennsylvania's New Employment Agency Law*, 46 DICK. L. REV. 180 (1942).
Available at: <https://ideas.dickinsonlaw.psu.edu/dlra/vol46/iss3/5>

This Article is brought to you for free and open access by the Law Reviews at Dickinson Law IDEAS. It has been accepted for inclusion in Dickinson Law Review by an authorized editor of Dickinson Law IDEAS. For more information, please contact lja10@psu.edu.

NOTES

PENNSYLVANIA'S NEW EMPLOYMENT AGENCY LAW

The Employment Agency Law, the Act of July 31, 1941, P.L. 616, 43 P.S. 535, *et seq.*, regulates and provides for the licensing and registering of employment agencies and their representatives, including private employment agencies, theatrical employment agencies and nurses' registeries, and also provides for revocation and suspension of such licenses and registeries, subject to appeal, and for their reinstatement. The bill was originally drafted and introduced to meet certain deficiencies existing in the former Employment Agency Law, the Act of May 2, 1929, P.L. 2160, as amended by the Act of May 25, 1937, P.L. 899, which act was repealed by this 1941 act.

The act practically reenacts all of the essentials of the former Employment Agency Law. In addition thereto, however, it sets up regulations for theatrical booking agencies and their representatives. Formerly these agencies were subject to regulations drawn in 1929 to cover domestic and commercial employment agencies. Their work and method of business was entirely different, and the Department of Labor and Industry had not possessed the necessary authority to supervise properly this very important feature of employment work. The sections governing theatrical booking agencies follow the laws now in force in New York, Illinois, California and Michigan.

In addition, the Pennsylvania Act gives more detailed regulations for nurses' registeries. This feature of employment work and regulation had been neglected, with the result that much misrepresentation in the type of nurse or attendants furnished, and fees collected, had arisen among such agencies. In the state are a number of so-called practical nurses' schools, which are professional promotions by chiropractors and others, and which need state regulation. The Pennsylvania Act gives some supervision over these schools as employment agencies.

The act establishes a license for "representatives" of agencies of \$5.00 a year. This will apply generally to the theatrical field where much trouble arises by unauthorized persons representing themselves as being connected with reputable agencies and booking jobs without contracts and no responsibility to the performers.

The act fixes a fee of \$1.00 for all exempted employment or placement bureaus. There was formerly no fee for registration of these agencies, but the Department of Labor and Industry had to issue a certificate, make an investigation, etc. It was felt that the state should not render this service and registration privilege without collecting a nominal fee which would not more than meet the expenses involved.

The license fee for the three classes of employment agencies has been made uniform at \$100.00 a year. In the former law, teachers' and nurses' agencies had been compelled to pay a \$200.00 a year license fee, which was unjust.

The act provides for the same exemptions as did the former law. Practically no change has been made affecting the conduct of the agencies, except providing for more uniform contracts and reports, which will insure the employe and the ultimate employer more protection.

The act sufficiently increases the power of the Department of Labor and Industry to meet unfair competition of out-of-state theatrical booking agencies coming into the state and operating without a license by providing in Section 29 that a person who knowingly aids or abets in its violations is subject to the penalty provision.

The act is the result of thorough study and investigation. In drafting the act the laws of forty-three other states were reviewed.

The act was formulated at the request and with the cooperation of officers of organizations representing over 5,000 variety artists, entertainers and musicians appearing in Pennsylvania theatres, clubs, cafes, etc., and the licensed theatrical booking agents of the state. It was also reviewed and approved by the Pennsylvania Board of Private Personal Services, which includes licensed agencies making domestic, commercial, teacher and nurse placements. These licensed agencies make approximately 170,000 placements a year, on which they collect over a million dollars in fees and commissions. The state collects approximately \$50,000 a year in license fees, which should be materially increased under the present act.

The agencies which have endorsed the measure believe that Pennsylvania now has a model employment law. The evils present in the placement of persons by private agencies is a familiar problem in labor law administration. The evils include, chiefly, the following: (1) misrepresentation of jobs; (2) charging of exorbitant fees; (3) collection of fees where no employment has been furnished; (4) stimulation of artificial labor turnover so as to create a larger number of placements for which fees may be charged; (5) misleading advertising; (6) nonpayment of performers and orchestras; (7) unlicensed agencies; (8) child labor booking and other undesirable practices.

In the interest of the more effective enforcement of the regulation of employment agencies, including theatrical booking agencies and nurses' registeries, and persons knowingly aiding and abetting the violations of the provisions of the act, the purpose of the act is highly desirable.

M. LOUISE RUTHERFORD