

EMPLOYMENT AGENCIES:

Frederick Chusid & Company is a private employment agency and required under Section 289.010, RSMo 1959, to be licensed by the state.

Opinion No. 218 (1962)

September 20, 1962

Honorable Don L. Cummings  
Director  
Division of Industrial Inspection  
Department of Labor and  
Industrial Relations  
State Office Building  
Jefferson City, Missouri

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Dear Mr. Cummings:

In your letter of May 11, 1962, in which you enclose some advertising used by Frederick Chusid & Company you state:

"It is the opinion of this department that since this company is charging a fee for their services and, in our opinion, assisting in obtaining employment by getting prospective employee and employer together, they should therefore be licensed as a private employment agency.

"This department would appreciate a ruling on the above."

Section 289.010, RSMo 1959, provides in part:

"No person, firm or corporation in this state shall open, operate or maintain an employment office or agency for hire, or where a fee is charged to either applicants for employment or for help, without first obtaining a license for the same from the director of the division of industrial inspection of the state department of labor and industrial relations. \* \* \*"

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It is clear that under this statutory provision when any person, firm or corporation opens, operates or maintains an employment office or agency for hire in this state (or where a fee is charged to either the applicant for employment in securing a job or where a fee is charged the employer for obtaining help) a license must be secured from the Division of Industrial Inspection.

In the informational circular which you submitted with your request concerning the services offered by Frederick Chusid & Company, it is stated among other things that their staff will furnish or provide:

"In addition, during the planning of the marketing program, the Staff and client will select and agree to certain specific markets, where Frederick Chusid and Company Sponsorship will be given in mailings and direct contact. The purpose of this Sponsorship is to protect the client's identity, to save the client's time, or to add prestige to the client's presentation.

"Within these specified markets, the Staff will make initial contacts, endorsing the client's qualifications. They will follow through on prospective opportunities and investigate and evaluate prospective employers. The Staff will communicate their knowledge and evaluation of the client to these prospective employers and protect the confidence of each party, until there is a valid basis for mutual interest. Ultimately, the Staff will attempt to arrange to have the client meet those prospective employers, where, based on the information available, it is felt that the opportunity would be desirable and the client well qualified.

"The fee for this Program is \$1,400."

In the advertisement which appeared in the Wall Street Journal on Monday, July 10, 1961, a copy of which you have submitted, Frederick Chusid & Company is advertising a position that is available as a sales manager with an employer they represent and they solicit applications from

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any person interested in such work. The location of the office and telephone number in St. Louis is given in this advertisement. In the same issue of the Journal Frederick Chusid & Company in another advertisement, a copy of which you have submitted, offers their services to individuals in helping them secure employment. Frederick Chusid & Company state that they will perform this service without revealing the name of the employee.

In each of these advertisements Frederick Chusid & Company offers their services in getting a prospective employee and employer together for the purpose of employment. This service is performed only for a fee to be paid either by the employer or by the employee. Under Section 289.010, supra, if a fee is charged from either the employee or the employer for such service it comes within the licensing provision of this statute. The fact that other services may be furnished the employer or the employee such as an evaluation by psychologists of the prospective employee's abilities or services which they may render the employer in helping the employer choose the best qualified employee does not prevent the service rendered by Frederick Chusid & Company from being within the terms of this statute.

An employment agency may be defined as an agency for the brokerage of labor for a fee paid by applicant for employment or by a prospective employee, or as any person or corporation engaged in the business of finding positions or employment. Florida Industrial Commission vs. Manpower, 91 So. 2d 197.

#### CONCLUSION

Based on the information you have submitted, it is our opinion that Frederick Chusid & Company is engaged in representing employers in obtaining employees as well as representing employees in securing employment; that they charge a fee from either the employer or employee for such services, and under the provisions of Section 289.010, RSMo 1959, they are required to be licensed by the Division of Industrial Inspection.

The foregoing opinion, which I hereby approve, was prepared by my assistant, Moody Mansur.

Very truly yours,

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THOMAS F. EAGLETON  
Attorney General

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