

FTR Now

Private Member's Bill Targets Temporary Help Agencies

Date: December 1, 2015

On November 18, 2015, Bill 143, [Employment Standards Amendment Act \(Temporary Help Agencies\), 2015](#), a Private Member's Bill was introduced in the Ontario Legislature by a Liberal MPP. The Bill seeks to amend the *Employment Standards Act, 2000* ("ESA") with respect to the regulation of temporary help agencies.

SUMMARY OF BILL 143

If passed, Bill 143 would require temporary agencies to comply with the following new provisions:

- Be licensed through a process overseen by the Director of Employment Standards ("Director"). The Director would have the discretion to refuse to grant a licence, or to suspend or revoke an existing licence, and could impose terms on any licence granted.
- Renew the licence on a regular basis with the Director having the discretion to refuse the renewal or to impose terms on the renewed licence.
- Pay assignment employees 80% of the commercial fee that is charged to a customer of the agency for the services of that employee.
- Report to the Minister of Labour twice per year setting out the hours worked by each assignment employee and confirming compliance with the ESA.

Bill 143 would also create a new general rule applicable to customers of temporary help agencies that would cap the hours that could be worked by assignment employees at 25% of the customer's total hours of work each work week. The 25% cap would be measured against the total hours worked by the customer's own employees combined with those worked by the assignment employees.

CONCLUSION

If passed, Bill 143 would impose onerous administrative obligations on temporary help agencies and fundamental changes to the commercial arrangements between agencies and their clients.

As noted at the outset, Bill 143 is a Private Member's Bill, although one introduced by a member of the Liberal government. Only a small percentage of Private Members' Bills are passed by the Legislature, especially where the content of the Bill addresses matters that are usually matters of government policy.

Nevertheless, we have decided to report on Bill 143 because of the timing of its introduction during the ongoing Changing Workplaces Review being undertaken by Special Advisors C. Michael Mitchell and the Honourable John C. Murray, and because the content to some degree reflects submissions made by employee interest groups to the Special Advisors. We will continue to monitor the progress of Bill 143, and to look for any indications of whether the Bill is likely to progress through the legislative process or be adopted by the government.

For more information on Bill 143 and how it might impact your operations, please contact [Paul E. Broad](#) at 519.931.5604 or your regular [Hicks Morley lawyer](#).

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