

TE.64/96

<p><b><u>The Private Employment Agencies Law, No. 8(I)/97</u></b></p>
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**Definition**

A Private Employment Agency (PEA) is

- (a) any legal or natural person who acts as a mediator for employment or who provides employers with workers for the purpose of either direct or indirect pay/ fee/ material gain/ other charges or without charge,
- (b) any legal or natural person who acts as a mediator or supplier of services of workers to third persons (Section 2)

**Establishment of a PEA**

- The operation of a PEA is prohibited and penalised without a relevant licence. The licence must be obtained by applying to the Minister of Labour and Social Insurance or his delegated officer (Section 3).
- The interested party must apply for a licence before the establishment of a PEA with the competent officer (Section 4).
- The criteria for issuing a licence are set out in Section 5 and these are:
  - (a) When the Agency is operated by a natural person that person, must be a citizen of the Republic of Cyprus (as from May 1<sup>st</sup> it applies to citizens from the EU Member States).
  - (b) When the Agency is a partnership, then the majority of partners must be citizens of the Republic (as from May 1<sup>st</sup> it applies to citizens from the EU Member States).
  - (c) When the Agency is operated by a company, the majority of shares have to be held by citizens of the Republic (as from May 1<sup>st</sup> it applies to citizens from the EU Member States).
  - (d) The person responsible for the operation/ management of the Agency must not have been sentenced for an offence involving immoral character.
  - (e) The person responsible for the Agency must hold a Secondary Education Certificate or other relevant qualifications and relevant experience.
  - (f) When the Agency supplies the services of science-related or administrative personnel then that person must hold a university degree or other equivalent qualifications and have relevant experience, or employ persons who hold these

qualifications or hold a secondary education certificate and have at least a 7- years of relevant experience.

### **Restrictions in the activities of the PEA**

- The PEA are not allowed to:
  - (a) Promote applicants without instructions of good faith from the employer,
  - (b) Provide wrong information as regards the terms and conditions of employment and the qualifications of the applicant,
  - (c) Promote the employment of a person in a workplace in which its current employees are on strike, without first informing the applicant,
  - (d) Urge applicants to take up employment with another employer without first obtaining the consent of the current employer,
  - (e) Promote the employment of young persons (under 18 years of age) (Section 14).

### **Protection of Wages**

The employer or the Private Employment Agency shall not impose any charge on the employee for the purpose of job search, placement and maintenance of employment.

When the private employment agency has written authorisation from the employed person to collect his or her wages, the private employment agency must deposit them in a bank account in the name of the employee.

### **Sanctions**

Any person who violates or disobeys the provisions of the Law is guilty of a criminal offence and is liable to imprisonment not exceeding 12 months or to a fine not exceeding CY£1,000 or to both penalties, unless where the Law specifically provides otherwise, (Section 19).