

Policywiki: Guide to Recruitment Agencies

Before deciding to employ a recruitment agency, familiarize yourself with the Temporary Foreign Worker recruitment process ([see ACA's guide](#)). It is important to understand the process to ensure that you can properly monitor the work that an agency does on your behalf.

1. Ensure that the recruitment agency is properly licensed

- Recruitment agencies, regardless of where they are based, must be licensed by the provincial government under the Alberta Fair Trading Act to provide services in Alberta.
 - When selecting an employment agency, insist on seeing the agency's provincial employment agency business license.
 - You may contact Service Alberta's Consumer Contact Centre to check whether an agency is licensed at 780-427-4088 or (toll free): 1-877-427-4088
- A provincial employment agency license is required if a business is:
 - Finding jobs in Alberta for people.
 - Finding workers for employers in Alberta.
 - Testing or evaluating individuals for job-related skills on behalf of an employer.
- Employment agencies are responsible for any breaches of the Fair Trading Act they engage in during the recruitment process. Service Alberta does not investigate employers. Any observed breaches of the Act (such as charging workers a fee) should be reported to Service Alberta.

2. Criteria for selecting an agency

- Can the agency demonstrate that it has a track record of demonstrated successful performance in the trade you are interested in, with reasonable volume of hires, no allegations regarding charging fees to workers, and competitive pricing?
- How many years of providing recruitment services to the Alberta market, and how many years operating in the source country? What is the organizational depth of the agency - are they relying on one or two key personnel, or do they have the capacity to handle your business? How knowledgeable is the agency of Alberta trades certification requirements?
- What is the reputation of the agency with Alberta contractors?
- Is the agency cooperative in providing a breakdown of their fees (ie. will they segregate for you recruitment, training, processing, transportation, etc.)? This will help minimize the risk that workers are being charged fees. If the fee is very low, there is a risk that workers are being charged.

3. Clearly define agency's tasks

- The following questions should be answered before the agency is hired
 - Who will prepare the application for a Labour Market Opinion from Service Canada?
 - How will the agency screen potential applicants?
 - How does the agency work to ensure worker credentials are not fraudulent?
 - Will the employer interview potential workers?
 - Who and how will assessment of worker practical skills be undertaken?
 - How and when will the agency update you as to its progress?
 - What role, if any, will the agency have in settlement services for the worker?
 - What is their responsibility to the employer and the foreign worker if the candidate is not suitable?
 - Does the agency test and verify English language ability?

4. Obtain references

- Require any agency that you may hire to provide you with contact information for previous clients.
- You may consider asking the reference some of the following questions:
 - What type of recruiting did the agency conduct for your business?
 - Did the agency clearly understand your recruitment needs?
 - Was the agency knowledgeable about trades or other certification requirements?
 - Did the agency successfully recruit the types of workers that were required?
 - Were there any surprises during the recruitment process? How were any disputes handled?
 - Did you consider the agency fees to be reasonable for the service provided? Did they provide a breakdown of their fees?
- You may also contact the Better Business Bureau ([Northern Alberta](#), [Southern Alberta](#)) to check if there are any outstanding disputes

5. Negotiate costs

- Employment agencies charge the employer a fee for recruiting each worker. This fee is negotiated between the

employer and employment agency.

- It is illegal to recover the cost of this service from the employee. Any agency that indicates this is possible is wrong.
 - Fees cannot be charged to potential or recruited workers to find a job, and workers cannot be required to provide bonds or deposits in case the work term or employment contract is not completed.
- If the foreign worker is classified as low skill under the National Occupation Codes (NOC D), you may have to arrange suitable accommodation and provide essential household items. You may also be required to pay for transportation for the temporary foreign worker. Your responsibilities will be outlined in the Labour Market Opinion (LMO) you receive from Service Canada.