

Foreign staff: permits and quotas

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A headquarters requires people, many of whom, in Zug, come from abroad. Citizens of the member states of the European Union and of the European Free Trade Association benefit from the free movement of persons under the Agreement on the Free Movement of Persons between Switzerland and the European Union, which gives them a residence permit on the basis of an employment contract.¹ The situation of the European Union's relations with Switzerland, and the new package of bilateral agreements negotiated in 2024, is discussed in Part K. For citizens of third countries, including the United States, India, China and, since its departure from the European Union, the United Kingdom, admission to the Swiss labour market is restricted. Third-country nationals may be admitted as executives, specialists or other qualified workers, if the employer shows that no suitable candidate is available in Switzerland or the European Union, and within annual quotas set by the Federal Council.² For 2026, the Federal Council kept the quotas unchanged at 8,500 permits for third-country nationals, of which 4,500 residence permits and 4,000 short-term permits. It also kept 3,500 permits for service providers from the European Union and the European Free Trade Association posted for more than 120 days a year, as well as a separate quota of 3,500 permits for citizens of the United Kingdom, of which 2,100 residence permits and 1,400 short-term permits.³ The quotas are distributed among the cantons, except for a part held in a federal reserve.

For a canton whose international community includes large numbers of British, American and Asian employees, the quotas are a practical constraint. The cantonal labour market authority of Zug has long had a reputation for handling applications efficiently, a feature that the representative of Tradax already mentioned before the United States Congress in 1976.⁴ The efficient administration of work permits is one of the less visible but more important factors of the location.

1 Notes

1. State Secretariat for Migration, "Freizügigkeitsabkommen Schweiz – EU/EFTA", sem.admin.ch: Agreement on the Free Movement of Persons signed on 21 June 1999 and in force since 1 June 2002; simplified living and working conditions for EU/EFTA nationals in Switzerland. ↩
2. State Secretariat for Migration, "Nicht-EU/EFTA-Angehörige", sem.admin.ch, accessed September 2026: admission of executives, specialists and other qualified workers only; the employer must show that no suitable worker is available in Switzerland or the EU/EFTA; customary wage and working conditions; annual quotas set by the Federal Council under the AIG and the VZAE. ↩
3. Swiss Federal Council, press release "Bundesrat legt unveränderte Drittstaatenkontingente für 2026 fest", 19 November 2025, admin.ch: quotas for 2026 unchanged; 8,500 qualified third-country workers (4,500 B permits, 4,000 L permits); 3,500 permits for EU/EFTA service providers for assignments exceeding 120 days (3,000 L, 500 B); 3,500 permits for UK nationals (2,100 B, 1,400 L); third-country quotas 74 per cent used as of late 2024. ↩
4. Zug in der Welt, "Der wichtigste Wirtschaftsknoten im Kanton Zug": testimony of the Tradax/Cargill representative to a US congressional committee in 1976 citing ease of work permits among Zug's advantages. ↩

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