

3. ECONOMIC ACTIVITY OF FOREIGNERS

Data on employment of foreigners on the territory of the Czech Republic are derived from records of the Ministry of Labour and Social Affairs on issued valid work permits to foreigners, issued Employee Cards and Blue Cards to foreigners, and the number of pieces of information on commencement of work by citizens of the EU/EEA, Switzerland, and third-country nationals, who do not need for their work a work permit, an Employee Card, a Blue Card, or the Intra-Company Employee Transfer Card and are registered by regional offices of the Labour Office of the Czech Republic, as well as from records of the Ministry of Industry and Trade on foreigners holding trade licences.

1) Records of the Ministry of Labour and Social Affairs

Employment of foreign nationals with economic status of employees

Since 1 May 2004 citizens of the EU/EEA and Switzerland and their family members are no longer considered foreigners from the point of view of the Act No 435/2004 Sb, on Employment, and pursuant to the Act they enjoy the same legal status as Czech citizens do, which means they have free access to the labour market in the Czech Republic. The following belong to the EU Member States: Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom of Great Britain and Northern Ireland. Besides the EU Member States, the following countries belong to the European Economic Area (EEA): Norway, Liechtenstein, and Iceland.

Other foreigners, who are neither citizens of the EU/EEA and Switzerland nor their family members, can perform work on the territory of the Czech Republic on condition that they have received a work permit and a residence permit or the Employee Card, the Blue Card, or the Intra-Company Employee Transfer Card, provided that the Act on Employment does not set down otherwise.

Employment of foreign nationals with economic status of registered entrepreneurs

Fulfilment of tasks following from the subject-matter of business ensured by an associate, a statutory body, or a member of a statutory body, or of another body of a business corporation for the business corporation is also regarded as employment.

The foreigners can fulfil the tasks provided that they were granted a work permit and a residence permit.

Tasks following from the subject-matter of business of a business corporation are not tasks, which are fulfilled by statutory or other bodies of a business corporation on the grounds of their function, e.g. conduct of a business by the company executive, activities of a member of the supervisory board, etc. Tasks of statutory bodies are specified in detail in the Business Corporations Act.

A work permit can be issued also to a foreigner, who is a holder of a long-term residence permit for investment purposes or a long-term residence permit for business purposes and besides that activity the foreigner wants to work in an employment relationship pursuant to the Labour Code, too.

Valid work permits of foreigners

The information on valid work permits granted to foreigners provided in this chapter pertains exclusively to persons with a temporary residence upon short-term visas for stay up to 90 days and to persons with a long-term residence over 90 days. The below mentioned conditions of employment of foreigners in the Czech Republic are related to legislation valid as at 31 December 2018.

A work permit can be granted to a foreigner by a regional labour office for a job vacancy, which is reported by the employer to be vacant and which cannot be filled otherwise with regards to the required qualification or lack of free labour force. The employer at the same time shall announce to the regional labour office the job description, i.e. type of work and place of work performance, prerequisites and requirements determined for the job, basic information on labour and wage conditions including expected duration of the work performance.

A work permit with regards to the conditions on the labour market is granted by a regional labour office to a foreigner, who wants to be employed on the territory of the Czech Republic and it applies to:

- a) seasonal work for the period of six months as a maximum in any period of 12 successive months, when it applies to activity depending on a season; a list of occupational branches, which include activities depending on a season is determined by the Ministry of Labour and Social Affairs by its decree;
- b) fulfilment of tasks following from the subject-matter of business of a legal person ensured by an associate, a statutory body or a member of a statutory body or of another body of a business corporation for the business corporation;
- c) a holder of a long-term residence permit for business purposes;
- d) a holder of a long-term residence permit for investment purposes;
- e) a short-term employment up to three months;
- f) a temporary allocation (by a foreign employer) of a foreigner to perform work at a user on the territory of the CR, provided that the foreign employer had been granted an authorization to mediate employment.

A work permit is granted to foreigners **regardless conditions on the labour market** if

- a) they are sent to the territory of the Czech Republic by a foreign employer based on a contract concluded with the domestic legal or natural person for fulfilment of tasks following from the contract;
- b) they are to be employed for a limited period for the purpose of enhancement of their skills and qualification in the selected job (trainees), but only for a period of six months as a maximum. This period can be prolonged, but as a maximum only for the period necessary to obtain professional qualification in accordance with regulations valid in the Czech Republic;
- c) they are up to 26 years of age and performing occasional and time-limited jobs within the exchange between schools or within programmes for the youth, in which the Czech Republic participates;
- d) it is set down for them in a promulgated international treaty, the ratification of which was approved by the Parliament of the Czech Republic and which is binding for the Czech Republic;
- e) they were granted a visa for tolerated stay (for leave to remain in the territory) in accordance with the Act on the Residence of Aliens or were granted a long-term residence permit for the same purpose;
- f) they are applicants for international protection or were issued a confirmation about the toleration of residence (leave to remain) on the territory of the CR pursuant to the Asylum Act, however, after 6 months after they have provided data for the submitted application for international protection, at the earliest.

Data on work permits granted come from the records of respective regional labour offices, which pursuant to the Act No 435/2004 Sb, on Employment, decide within the administrative procedure on granting or revocation of a work permit.

A work permit, an Employee Card, a Blue Card, or an Intra-Company Employee Transfer Card is not required for foreigners, who:

- a) were granted asylum on the territory of the Czech Republic or were granted subsidiary protection;
- b) are holding a permanent residence permit for residence on the territory of the Czech Republic;
- c) are family members of members of diplomatic missions and consular authorities or family members of employees of international government organizations having their seat on the territory of the Czech Republic;
- d) are
 - performing artists,
 - teachers and lecturers,
 - academics at universities,
 - science, research, and development workers participating in a scientific meeting,
 - pupils or students up to 26 years of age,
 - sportspersons,
 - persons ensuring in the Czech Republic deliveries of goods or services, or is delivering the goods, or persons assembling stuff on the basis of a business contract, or, as the case may be, performing guarantee and repair works,
 - and whose stay on the territory of the Czech Republic does not exceed seven consecutive calendar days or the total of 30 days in a calendar year;
- e) are employed on the territory of the Czech Republic in accordance with an international treaty, the ratification of which was approved by the Parliament of the Czech Republic and which is binding for the Czech Republic;
- f) are members of rescue units and provide aid in compliance with international agreements on mutual aid for remediation and mitigation of consequences of accidents and natural disasters and in cases of humanitarian aid;
- g) are employed in international transport, if they are sent to perform their work on the territory of the Czech Republic by their foreign employer;
- h) are persons accredited in mass media;
- i) are military or civilian staff of the armed forces of their country of origin (sending country) in accordance with a special act;
- j) are systematically preparing in the Czech Republic for their future careers;
- k) are sent to the territory of the Czech Republic within services provided by an employer having registered office or seat in another EU Member State;
- l) reside on the territory of the Czech Republic on the grounds of a long-term residence permit for the purpose of family reunification, if it is family reunification with a foreigner under the letters a) or b) or with a foreigner, who stays on the territory of the Czech Republic based on a valid long-term residence permit;
- m) stay on the territory of the Czech Republic on the basis of a long-term residence permit of a resident of another EU Member State;
- n) perform in the Czech Republic systematic educational or scientific activity as a teacher or a lecturer or an academic of a university or as a science, research, or development worker in a public research institute or another research organization pursuant to a special regulation;

- o) *have acquired secondary or higher professional education or higher professional education at a conservatoire pursuant to the Education Act, or higher education pursuant to the Higher Education Act;*
- p) *reside on the territory of the Czech Republic on the basis of a long-term residence permit for the purpose of protection on the territory pursuant to the Act on the Residence of Aliens on the Territory of the Czech Republic;*
- r) *they are clergymen of a church registered in the Czech Republic or of a religious society registered in the Czech Republic;*
- s) *are holders of an Intra-Company Employee Transfer Card issued by another Member State of the EU and are intra-company transferred to the territory of the CR for a period not exceeding 90 days in any period of 180 days;*
- t) *are sent to the territory of the Czech Republic by their foreign employer based on a contract concluded with a Czech legal or natural person exclusively for the purpose of enhancement of skills and qualification of the foreigner necessary for the performance of work for the foreign employer outside the territory of the Czech Republic. It is the Government of the Czech Republic that shall decide when a foreigner can be sent to the Czech Republic. The total duration of stay of the foreigner must not exceed 6 months.*

*In the case of employment of a foreigner under the letters a) to e) and letters j) to t), however, the employer or a legal or natural person (to which or whom a foreigner was sent by his or her employer on the basis of a contract to perform work) is obliged **to inform in writing on this fact the competent regional labour office on the day of commencement of work of the foreigner at the latest.***

A work permit cannot be granted to foreigners

- *who applied for granting of international protection in the Czech Republic, for the period of 6 months since the day when data were provided for the submitted application for international protection;*
- *who do not meet some of the conditions set down by the Act on Employment for granting of a work permit;*
- *whose submitted documents had been fraudulently obtained, forged, fraudulently altered or contained false information;*
- *on the employer of whom a penalty was legitimately imposed due to enabling of performance of illegal work during the period of 4 months preceding the submission of an application for granting of a work permit;*
- *on the employer of whom a penalty of over CZK 50,000 was legitimately imposed due to breach of a duty following from labour-law regulations or other legal regulations during the period of 3 months preceding the submission of an application for granting of a work permit;*
- *who have an employer the property of whom was declared bankrupt based on a final and conclusive decision of a court and the bankruptcy has not been cancelled.*

Employee Cards

With effect from 24 June 2014, in relation to the transposition of the Directive 2011/98/EU of the European Parliament and of the Council, the Employee Card was introduced, which is of dual nature, i.e. it is a work permit and a residence permit at the same time.

The Employee Card is issued by the Ministry of the Interior for a concrete job vacancy, which is kept by the Ministry of Labour and Social Affairs in the central register of job vacancies that can be filled with Employee Card holders.

A job vacancy, which can be filled under the Employee Card regime means such job vacancy, which has not been filled within 30 days since it was notified to the regional labour office, except for

job vacancies of officials of territorial self-governing units and job vacancies of employees, who execute state administration in administration authorities.

The employment contract or contract for work has to contain besides requisites stipulated by the Labour Code also a stipulation from which it results that regardless the scope of work the monthly wage, salary or reward of a foreigner shall not be lower than the basic rate of the monthly minimal wage. The weekly working hours in each basic employment relationship has to be at least 15 hours.

The condition to prove professional qualification for the performance of required employment results from the character of the employment.

An application for the Employee Card shall be submitted at an embassy or a consulate of the Czech Republic abroad. During the stay on the territory for a visa for stay over 90 days or for a long-term residence permit granted for another purpose a foreigner can apply for an Employee Card at the Ministry of the Interior.

A change of the employer or employment position of an Employee Card holder or employment of the foreigner at another job position or at another employer are liable to prior consent of the Ministry of the Interior.

As at 31 December 2018, there were 43 293 Employee Card holders in total registered on the territory of the Czech Republic.

Blue Cards

Since 1 January 2011, based on the transposition of the Council Directive 2009/50/EC to the Czech legislation, conditions were made for an introduction of another type of permitting of employment and residence of foreigners on the territory of the Czech Republic for the purpose of performance of highly qualified employment, the so-called Blue Card.

A job vacancy, which can be filled under the Blue Card regime means such vacancy that has not been filled within 30 days since it was reported to the regional labour office and for performance of which a high qualification is required – i.e. regularly completed higher education or higher professional education provided that the study lasted for at least 3 years.

The Ministry of the Interior decides on issuing of the Blue Cards.

The employment contract has to be concluded for the period of at least one year with weekly working hours stipulated by law and – besides requisites stipulated by the Labour Code – it has to contain the amount of contracted gross monthly or annual wage corresponding at least to 1.5 times the average gross annual wage announced in the notification of the Ministry of Labour and Social Affairs.

A change of the employer or employment position of a Blue Card holder during the first two years of residence on the territory of the Czech Republic is liable to prior consent of the Ministry of the Interior provided that the Blue Card holder will continue to fill a job position requiring a high qualification that can be pursuant to a special regulation filled with a foreigner. After the two years pass, the Blue Card holder is obliged to announce such changes to the Ministry of the Interior within the period of 3 working days.

As at 31 December 2018, 590 Blue Card holders in total were registered on the territory of the Czech Republic.

Projects in the area of economic migration

Projects designed and implemented within inter-departmental cooperation of central bodies of the state administration are an effective instrument to support migration of selected target groups of third-country nationals in entry and residence of whom on the territory of the CR the Czech Republic is highly interested.

Migration projects aim at enhancing effectiveness of the migration procedure by simplification of the process of filing applications and dealing with applications of foreigners for work authorizations (work permits, Employee Cards, Blue Cards, or Intra-Company Employee Transfer Cards).

Labour migration of highly skilled workers

A Fast Track: “A fast track procedure for intra-company transferred employees and localised employees and statutory bodies of foreign investors“

The target group consists of highly skilled specialists and managers. In 2018, 170 workers used the project; they were mainly specialists and managers from the area of industry, information technology development, or services. The highest number of applicants was from India (76), the United States of America (12), and Japan (10).

A Welcome Package (for investors)

The aim of this project is to save time within the migration process of employees and statutory bodies of foreign investors to organizational units or business companies in the CR with interlocking capital, which have been formally founded but need to relocate the foreign investor's know-how activity to the Czech Republic. In 2017, the project was expanded to include also highly skilled workers of start-ups. In 2018, 57 applicants were included in the project. The highest number of them was from India (16), Costa Rica (11), and Brazil (11).

Special procedures for highly skilled employees from the Ukraine and India

The project was originally meant for the Ukraine; in 2018, it was expanded to include also India. It is intended for employers from the CR, who cannot fill in a long-term vacant position by a highly skilled specialist, who is a Czech citizen or an EU national. It is to save time during recruitment and to simplify as much as possible processing of applications for Employee Cards and Blue Cards for specialists from the Ukraine and India, who will perform highly skilled work in the area of production, services, or the public sector on the territory of the CR. In 2018, 63 companies doing their business in the CR and 461 job applicants from the Ukraine were included in the project. After the project was expanded to include India, 8 companies from the CR and 49 applicants from India used it. The highest interest was in IT professions (software developers, programmers, IT specialists, etc.) and in health care professions.

Labour migration – medium and low qualification

A Regime of Special Treatment for Skilled Employees from the Ukraine

(hereinafter referred to as the “Regime Ukraine”)

Skilled employees from the Ukraine can be included in the project if the job position they will hold in the Czech Republic is, pursuant to the amended Classification of Occupations ISCO-08, classified to the major groups 4 to 8 in the area of production, services, or the public sector. Since 2016, when the Regime Ukraine was launched, 35 296 applicants in total from 1 780 companies have been included in the project.

Since 2018, the so-called Farmer Project has been implemented within the Regime Ukraine. Employees classified to the major group 9 of the ISCO-08 classification can be included there, too. In total, 323 employees used the project in 2018 to apply for an Employee Card.

A Regime for Other States

This project is similar to the Regime Ukraine. The project was implemented in 2018. It serves to target, selectively recruit, and deal with applications for Employee Cards for citizens of **Mongolia, Philippines, and Serbia**, who perform qualified work activities in the territory of the CR in job positions classified to the major groups 4 to 8 of the Classification of Occupations ISCO-08 in the area of production, services, or the public sector. In 2018, the Regime for Other States comprised 934 applicants from Mongolia from 30 companies, 304 applicants from Philippines from 19 companies, and 430 applicants from Serbia from 26 companies.

Types of work permits

An individual permit shall mean a work permit, an Employee Card, or a Blue Card of a foreigner in an employment relationship with a domestic employer. The domestic employer is a legal or natural person authorized to carry out economic activities on the territory of the Czech Republic on the grounds of a record in the competent Commercial Register or other register as determined by law (e.g. the Trade Licences Register or the Register of Patent Attorneys), a record in a relevant list (e.g. the list of auditors or the list of tax advisers), or an entry in specified registers kept by a competent authority of the Czech Republic (e.g. Register of Self-Employed Farmers). The domestic employer is also a natural person, who does not run a business, yet employs another natural person for his or her personal needs.

A contract shall mean an employment of a foreigner by a legal or natural person having the registered office or residence outside the territory of the Czech Republic, which is not engaged permanently in a business in the Czech Republic, yet sends their employees to the Czech Republic to perform a business contract or another contract concluded with a domestic legal or natural person.

Employer's duty to inform

Citizens of the EU/EEA and Switzerland and their family members do not need to have a work permit, an Employee Card, a Blue Card, or an Intra-Company Employee Transfer Card for the purposes of employment on the territory of the Czech Republic. The same applies to the family members of citizens of the Czech Republic, who are not citizens either of the Czech Republic or any other EU Member State. Employers, or legal or natural persons, to which or whom citizens of the EU/EEA and Switzerland and their family members were sent by their foreign employer, are obliged to inform in writing on this fact the locally competent regional labour office (depending on the locality of the workplace, where the work is performed), on the day of commencement of the performance of work of these persons, at the latest.

*This duty to inform applies also to other foreign nationals, who received a work permit, an Employee Card, a Blue Card or an Intra-Company Employee Transfer Card or do not need a work permit (see letters a) to e) and letters j) to t) of the aforementioned information starting with **“A work permit, an Employee Card, a Blue Card, or an Intra-Company Employee Transfer Card is not required”**) for the performance of their work on the territory of the Czech Republic.*

The employer is obliged to inform in writing the competent regional labour office within 10 calendar days at the latest that foreign nationals ended performance of their work or that their sending has finished. The same is valid also in the case that a foreign national has not commenced work.

The duty to inform that a foreigner (holder of the Employee Card or the Blue Card) has not commenced work has to be fulfilled by the employer within 45 calendar days at the latest since the date when the application of the foreigner for the issue of the Employee Card or the Blue Card was complied with.

Registration of foreign nationals

Employers are obliged to keep records of citizens of the EU/EEA and Switzerland and their family members as well as all foreigners employed by them or send to them by foreign employers for the performance of work.

With regards to changes of information systems during 2012–2017, only qualified estimates were available as for the total number of foreign nationals performing work on the territory of the Czech Republic in the employee status. Since 2018 the precise numbers of these foreigners have been available again. As at the end of 2018, the respective regional labour offices registered a total of 568 676 foreign nationals performing employment on the territory of the Czech Republic. The total number of foreign employees thus rose by 96 322 persons annually. It can be stated, that year-on-year increase was evident among all the categories of foreign workers (i.e. third-country nationals, who need a work permit, an Employee Card, or a Blue Card to perform their work in the Czech Republic, and the foreigners-nationals of third countries, who do not need a work permit,

as well as the nationals of the EU/EEA citizens and citizens of Switzerland and their family members, who have free access to the labour market.

2) Register of the Ministry of Industry and Trade

Foreigners holding a trade licence

Pursuant to the Trade Licensing Act No 455/1991 Sb, as amended, foreigners can do business in the Czech Republic the same as Czech citizens, if they fulfil obligations as set down in this Act and related regulations. They are allowed to carry on a business activity pursuant to the Trade Licensing Act as natural persons, but they can also establish legal persons in the Czech Republic (usually business companies or cooperatives according to the public registers), or found on the territory of the Czech Republic organizational units of their enterprises abroad. Pursuant to the Trade Licensing Act, the foreign natural person is a natural person, who does not have residence (i.e. permanent residence) on the territory of the Czech Republic. This person must hold a residence permit to stay in the Czech Republic pursuant to the Act No 326/1999 Sb, unless it is a national of an EU Member State or a citizen of a state with which the Czech Republic concluded a treaty banning this restriction. This provision thus applies also to nationals of states, which are bound by an international treaty concluded with the European Communities, as well as to citizens of countries, which are bound by the EEA Treaty.

For purposes of this publication, the term of **a foreigner holding a trade licence** has been chosen; the numbers of entrepreneurs include entrepreneurs-foreigners with granted long-term visa (over 90 days) or a long-term residence permit, entrepreneurs-foreigners with permanent residence, family members of residents with a long-term stay, persons, who were granted asylum or subsidiary protection (hereinafter as refugees), and citizens (nationals) of the EU Member States and citizens of Switzerland, Norway, Iceland, and Liechtenstein and their family members.

The number of entrepreneurs-foreigners holding a trade licence was gradually increasing year by year. Their number dropped in 1998 for the first time as a result of the amendment to the Trade Licensing Act, which was published in the Collection of Laws (abbreviated as Sb) of the Czech Republic under the No 286 in 1995. The amendment imposed stricter duties on entrepreneurs as for submitting documents stipulated by law. The second decline in the number of entrepreneurs occurred after 2001 due to the adoption of a large amendment to the Trade Licensing Act, which was published in the Collection of Laws of the Czech Republic under the No 356 in 1999. At the same time, the Act No 326/1999 Sb, on the Residence of Aliens on the Territory of the Czech Republic and amending certain acts, made also conditions for acquisition of a long-term visa for business purposes stricter.

The trade licensing offices terminated trade licences of entrepreneurs-foreigners, who had not submitted mandatory documents on the residence. Due to that, entrepreneurs-foreigners decreased in number already in 1998 and then in 2002. However, since 2003 a rather high increase in the number of these persons has been actually shown.

On 1 May 2004, an amendment to the Trade Licensing Act harmonising it with EU legislation came into force, which was published in the Collection of Laws of the Czech Republic under the No 167 in 2004. This legal document made, among others, the status of EU nationals and Czech citizens equal. On 1 July 2008, an amendment to the Trade Licensing Act came into force, which was published in the Collection of Laws of the Czech Republic under the No 130 in 2008. This amendment introduces the only one free trade with the subject-matter of business of **Production, trade, and services not classified in Annexes 1–3 to the Trade Licensing Act** with 80 economic activities replacing the then existing 125 free trades. This resulted in a decrease in the number of trade licenses issued.

Before 31 December 2010, for foreign natural persons with the duty to have a residence permit for stay over 90 days the trade licence originated only at the time of the record in the Commercial Register, while to other foreigners doing their business under the Trade Licensing Act (EU nationals, citizens of the countries acceding to the EEA Treaty, foreigners with permanent residence, family members of residents with a long-term stay, and refugees) their trade licence

originated on the day of notification or, at trades with a trade permit (licence) on the day when the decision on granting of the trade permit (licence) comes into force. After the Act No 427/2010 Sb came into force on 1 January 2011, the right to perform trade originates for a foreigner, who is obliged to have his or her stay permitted, on the day of notification of their trade to the municipal trade licensing office or on the day when the decision on granting of a trade licence comes into force, providing that a foreigner at notification of the trade (at submitting of an application for granting of a trade licence) meets all requirements for performing of the trade including the permitted stay. In case that a foreigner obtained a copy of an entry from the trade licensing office for the purpose of proceedings on a residence permit, his or her trade licence originates on the day, when the foreigner supplies evidence (that a long-term visa or a long-term residence permit has been granted to him or her) to the trade licensing office, at which the trade has been notified or at which the application for a trade permit (licence) has been submitted, providing that the document on a residence permit was documented within 3 working days from the day of notification of the place of residence of the foreigner on the territory of the Czech Republic and at the same time in the period of 6 months at the latest from the day, when the copy of an entry was delivered.

On 1 July 2012, a system of basic registers has been launched, which is regulated by the Act No 111/2009 Sb, on Basic Registers, as amended. In relation to the connection of the Trade Licensing Register with the system, data kept in the Trade Licensing Register have been updated (e.g. of persons with terminated stay on the territory of the Czech Republic, historically originated duplicate identification numbers of persons were eliminated, and trade licences of deceased persons have been terminated), which was reflected also in the number of persons kept in the Trade Licensing Register. This decrease in the number of foreigners continued also in 2014. In 2015, a slight increase was recorded again, which continued also in the following years.

The number of foreigners – EU nationals with a valid trade licence was constantly increasing. In 2004 and 2005 over 14 thousand foreign persons were doing business in the Czech Republic. In 2006 the number of foreigners – entrepreneurs dropped. The decrease was not deep and it can be explained by implementation of the planned data relocation from the existing local registers of entrepreneurs to the new central information system, which, among others, resulted in the elimination of duplicate entries recorded in the system of respective local registers. In 2007, however, the number of EU nationals holding a trade licence exceeded the level from the year 2005 and a significant increase occurred in 2008 and continued in the following years as well. Most of the foreigners are citizens of Slovakia (17 711 persons in 2018), compared to 2017 (16 516 persons) it is an increase by 1.2 thousand persons. They are followed by Germans (3 161 persons) and citizens of Poland (2 545 persons). In 2018, compared to 2017, there was a slight increase in the number of third-country nationals by about 0.3 thousand persons. The most frequented third-country nationals are citizens of the Ukraine (21 881 persons) and Viet Nam (21 172 persons). Compared to 2017, the number of citizens of Viet Nam decreased by 0.6 thousand. As for other countries, there were over 1 thousand foreigners with a trade licence found in citizens of the Russian Federation (3 106 persons) and the United States of America (1 619 persons). They are followed, after a significant gap, by citizens of the Republic of Moldova (725 persons) and Belarus (642 persons).

3) Total employment of foreigners

Total employment of foreigners refers to the sum of the numbers of valid work permits, Employee Cards, and Blue Cards of foreigners, foreigners registered by regional labour offices, and foreigners holding a trade licence.

Illegal employment

The State Labour Inspection Office (hereinafter as the SLIO) and Regional Labour Inspectorates perform supervisory activities over compliance with the Employment Act provisions. They are also empowered to conduct administrative proceedings imposing fines due to found infractions, misdemeanours, and administrative delicts.

Controls focused on illegal employment in 2018 were carried out by teams of inspectors in cooperation with customs offices, the Alien Police Service of the Police of the Czech Republic, the Labour Office, the Czech Social Security Administration or, as the case may be, other bodies (trade licensing offices, revenue authorities). In the course of 2018, the aforementioned authorities checked 7 621 (8 144 in 2017) employers (4 889 legal persons and 2 732 natural persons doing business). In total 3 820 foreign citizens performing illegal work were captured (2 151 in 2017), of whom 225 were EU nationals (234 EU nationals in 2017) and 3 595 third-country nationals (1 917 third-country nationals in 2017). 1 079 foreigners performed illegal work in the form of employment without having an employment relationship, 2 883 foreigners performed work that was in contradiction to their work permit or without the permit or in contradiction to the Blue Card or the Employee Card, and 453 foreigners performed work without a valid residence permit on the territory of the Czech Republic. Some of the aforementioned persons violated multiple legal provisions. 28 citizens from other EU Member States and 270 third-country nationals worked within the so-called "Švarcsystém" (translator's note: it is a form of illegal work, which consists of using self-employment contracts in place of employer-employee contracts in work relations that fundamentally constitute an employer-employee relationship and ought to be covered by an employment contract).

Illegally working EU nationals were especially citizens of Slovakia, Romania, Bulgaria, and Hungary. In the case of third-country nationals, they were most frequently citizens of the Ukraine, Viet Nam, and the Republic of Moldova, in a lesser extent they were citizens of Serbia, Uzbekistan, Belarus, and the Russian Federation. Illegal employment of foreign citizens was recorded mainly in the economic activities of construction, manufacturing, wholesale and retail trade; repair of motor vehicles and motorcycles, accommodation and food service activities, and professional, scientific and technical activities.

*In 2017, the SLIO inflicted **496** fines on employers in the total amount of CZK 151 351 500 (CZK 20 703 000 in 2017) for administrative delicts in relation to illegal employment of third-country nationals.*