

**WORKERS IN THE APP DELIVERY SECTOR** 

**IN BRASILIA AND RECIFE** 









### **EXECUTIVE SUMMARY**



The first individual transportation and delivery via application companies appeared in Brazil in 2012. With the entry of Uber in the country, in 2014, this trend gained strength, especially due to the policy of discounts and low prices. In the same period, the economic crisis and the increase in unemployment led part of the population to resort to app delivery services as a form of income, a situation that was significantly worsened with the outbreak of covid-19 pandemic, as of March 2020.

According to the Brazilian Institute of Geography and Statistics (IBGE), in January 2021, more than 14 million people were unemployed in Brazil. In the same period, the informality rate in the Brazilian labor market reached 39.6% of the entire employed population. At the end of the first quarter of that year, the rate of unemployment reached 14.7% of the population – an increase of 6.3 percentage points in relation to the previous quarter. The year 2021 was also marked by the expressive number of discouraged people - those who have given up looking for a job - which totaled 6 million. Due to the relative ease to start in the sector, this scenario influenced the 3.5% increase in the number of people working with deliveries in the first months of the pandemic - which, by September 2020, was approximately 950 thousand people, according to IBGE.

At the other extreme, the covid-19 pandemic has led to significant growth of delivery platforms. Until 2021, only in Brazil, Loggi, for example, had a 500% increase in the e-commerce delivery service. Through the James app, from Grupo Pão de Açúcar, home delivery sales have increased by 800% since the beginning of the pandemic. In the same period, Rappi registered a 300% increase in applications for couriers.

If, on the one hand, delivery apps helped small businesses keep their doors partially open to the public during periods of social isolation to guarantee some income, on the other hand, the increasing number of people available to work on the platforms led to more precariousness in the activity. In 2017, the approval of the labor reform had already made contracts more flexible and reduced a series of rights – including those related to working hours, health, safety and access to labor justice. In this new scenario, the biggest challenge in relation to delivery platforms has been to guarantee decent working conditions for couriers.

Formalized in 1999 by the International Labor Organization (ILO), the concept of decent work includes freedom, equity, safety and dignity. It summarizes, in a single definition, the fundamental rights at work

(freedom of association, right to collective bargaining, elimination of discrimination, forced labor and child labor), the promotion of quality and productive employment, social protection and strengthening of social dialogue.

Contrary to what the concept of decent work encompasses, delivery workers put their lives at risk daily without labor or social security rights. In order to keep working, they work long hours without access to support stations, without adequate food and insufficient pay to cover expenses and to guarantee minimum dignity. This new model is characterized by unsustainable levels of exploitation.

The characteristics of this new form of labor exploitation also require new forms to organize workers. The absence of a formal employment relationship, working hours or place of work are some of the aspects that make it difficult to approach and require creativity in trade union action and organization.

It is in this scenario that the Central Única dos Trabalhadores (CUT Brasil), with support from the ILO, and in partnership with the Instituto Observatório Social (IOS) and researchers from the University of Brasilia (UnB) and the Federal University of Paraiba (UFPB), present this research<sup>2</sup>. With surveys and interviews with couriers in Brasília (DF) and Recife (PE), the research is a way to shed light on the theme, on the demands of the working class and on possible paths for union leaders.

#### Predominant companies in Brazil:

Brazilian Capital Foreign Investment



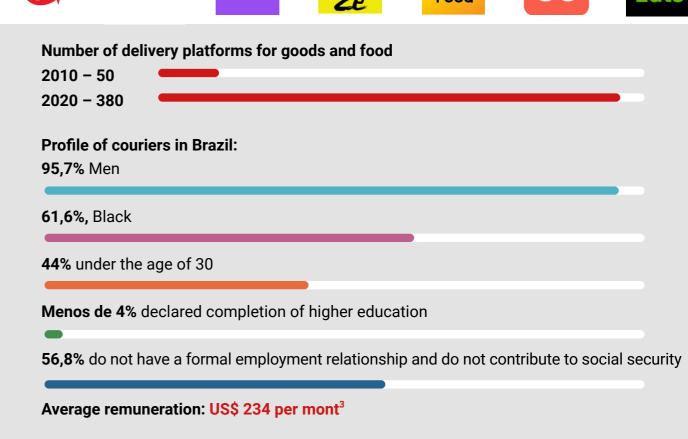












<sup>1</sup> https://www.ilo.org/global/topics/decent-work/lang-en/index.htm

<sup>2</sup> The full report of the research presented in this Executive Summary can be accessed in Portuguese at: https://www.cut.org.br/acao/condicoes-de-trabalho-direitos-e-dialogo-social-para-trabalhadoras-e-trabalhador-ac01

<sup>3</sup> All values of the research were obtained in reais, the dollar values presented in this summary used the real-dollar exchange rate of 01/01/2022 (1 US\$ = 5.663 RS\$).

# **BRASÍLIA (DF)**



The research conducted in Brasília shows that, not always, couriers are able to know, for sure, the net monthly income they reach. Likewise, the method of distribution of deliveries by the platform and the amount paid in each one of them does not necessarily pay more to those who assume longer working hours.

The average gross income, considering the monthly income received by all those interviewed, was US\$ 423,8. Deducting costs with equipment needed for the job (such as fuel, insurance and maintenance), data plan for internet and food away from home, the average net income of the people interviewed was 218,5 US dollars. This value is close to the minimum wage for motorcycle couriers in the Federal District (US\$ 207,03 in 2021) and the value obtained for the category according to the IBGE (US\$ 305,06).

The working hours of the people interviewed, however, change significantly - from 98 to 336 hours per month. This is due to different models in the way couriers register on the platforms. The first way offered in Brazil was through deliveries during the period in which the person is connected to the application. It turns out that this flexibility started to present "bottlenecks" to the companies, with days and times with no couriers available. In an attempt to remedy this problem, companies like iFood have established supervised "shifts", with fixed working hours on at least six days a week.

These issues related to income and working hours allow us to better understand the key point of work relationships precariousness on digital platforms – the so-called uberization of work. Reports collected by the research show that the way deliveries are distributed favors those who spend most of their time connected and available to the platform, penalizing those who opt for the flexible schedule model and those who take a break between shifts with fewer deliveries. As people only get paid for deliveries made, in this model the company can have more delivery people available at peak times but is exempt from the responsibilities that it would have with a traditional work contract.

Even with such strenuous working hours, 74% of the people interviewed said that the remuneration they get from the apps is not enough to their families livelihood. Of these, 40% said that they need to supplement their income with another job and 50% claimed that they also count on the income of another family member.

The research also indicates points of concern regarding the health and safety of couriers. When asked, 87% of those interviewed stated that, in case of being unable to work due to illness, for example, companies do not guarantee any financial assistance. Most of the people interviewed reported that, after starting in this field, they started to have back problems, stress, anxiety and physical injury due to accidents or robberies during work. The reports also revealed their exposure to numerous forms of physical, psychological and symbolic violence.

Despite the fact that 83.5% of the people interviewed did not participate or were affiliated to a union, association or political collective, the tradition of political-union organization of motorcyclists still resonates in Brasília: 94.7% say they believe that collective organization can help in the achievement of better working conditions.

### There are 10 to 15 thousand motorcycle couriers in Brasília

Among the people interviewed:

90% make deliveries through iFood

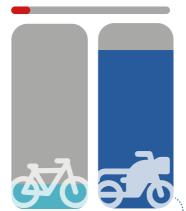
46% by Uber Eats

41% by 99Food

30% by Rappi

3% by James

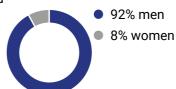
12% by Loggi

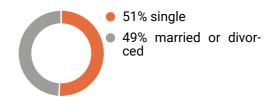


11% by bicycle 89% make deliveries by motorcycle

91,9% have their own motorcycle

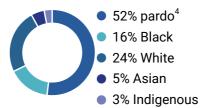
of these, 33% still pay loans





48% are between 19 and 30 years old

48% are between 30 and 45 years old



12% complete or incomplete elementary school

41% complete or incomplete higher education

38% still studying

"I have always worked as a motorcycle courier. When app companies arrived, we ran out of options. Then, companies like pizzerias, restaurants joined the applications (...). We were automatically sent away, but we continued working for the same companies, only not registered. Working with applications, that is, doing what you do, without any employment relationship."

(E52, male, indigenous, 41 years old).



4 Term used by IBGE to refer to Brazilians with varied ethnic ancestry.

## **RECIFE (PE)**



In the Metropolitan Region of Recife, in Pernambuco state, the survey shows that a significant part of the people who work with apps started in the activity after the outbreak of a covid-19 pandemic. One in three people surveyed said they had started less than a year ago, while another one-third has worked with deliveries for between 1 and 2 years. In November 2020, the estimate was that, of a total of approximately 42 thousand delivery workers in the state, almost 24 thousand were in this region.

Three out of five people interviewed said they had an employment relationship in their last job and about half indicated that they were fired due to the pandemic. In this new work activity, almost half of the people interviewed declared that they work 6 days a week and just over a third said they work 7 days. And, as seen in Brasília, couriers in Recife have different arrangements for working hours. Nonetheless, it is noticeable that most reserve the weekends for more exhausting hours, when demands increase.

The long working hours and the disproportionate income received stand out in Recife. Considering all the people interviewed, the median hours worked during the week is 59 hours – 60 for those who deliver in motorcycles and 57 hours for those who do so by bicycle. However, there were extremes that reached 70 hours a week – corresponding to 12 hours a day for 6 days a week.

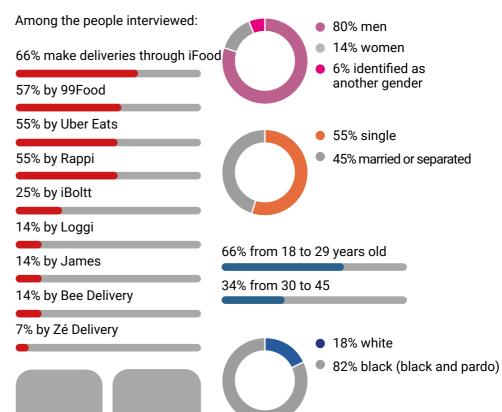
The monthly remuneration achieved differs significantly. Considering all the people interviewed, the average gross income is the current minimum wage (US\$ 194.24). However, individual amounts range from US\$ 44.14 to US\$ 441.46 gross monthly, with the income of those who deliver in bicycles corresponding to only 60% of the income of those who deliver by motorcycle.

When analyzing the net income, the difference is even greater: bicycle couriers achieve only 40% of what is received by those who make deliveries using a motorcycle. Only 20% of the bike couriers said they had other incomes, with a median value of US\$ 84.76 per month. Among motorcycle couriers, 40% claimed to have other income, with the median value of US\$ 211.90 per month.

The research also points to the physical and emotional consequences of this routine. More than 80% of the people interviewed admitted to having developed stress; more than half mentioned back problems; half indicated some form of repetitive strain injury (mainly in the knees, fingers or wrist); nearly a third cited cases of anxiety and physical injury from work-related accidents or robberies. Most of the people interviewed also pointed out as disadvantages of the profession: the risks they take, the lack of labor rights, low pay and the long working hours.

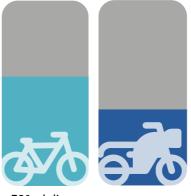
Due to the expansion of delivery activities in the Metropolitan Region of Recife, in 2019 the Association of Motorcycle Couriers with Apps of the State (Amap-PE) was created, with participation in public hearings on labor relations. Adhesion, however, still proves to be low, as is membership in any union. Despite the lack of engagement with union movements, there is ample recognition by the people interviewed about the importance of collective organization to achieve better working conditions.

## In November 2020, the Recife Metropolitan Region had almost 24,000 couriers.



"We are at the mercy of applications, which is why it is difficult to work today, because there is practically no one who comes and says something or represents me on the platform directly. We have indirectly someone who represents us, but not directly, who can stand up to these applications (...) We need an association or a union that represents us and helps us in our daily lives."

(I13, 28 years old)(E13, 28 anos)



59% deliver with bicycles

41% with motorcycles 2% incomplete elementary school

73% complete or incomplete high school

23% complete or incomplete higher education

2% postgraduate



#### RECOMMENDATIONS



One of the biggest challenges that the new forms of work present is the organization of workers. There is currently no union structure that dialogues with the specific conditions of work, which requires greater effort and adaptation on the part of unions, both for the form of organization and for the representation and protection of digital platform workers. Statutory changes and alternative forms of affiliation are some of the paths under construction.

If, on the one hand, the spatial organization in which these workers find themselves does not favor the construction of ties, on the other hand, the use of technologies favors speed in communication, mobilization and articulation. Organized quickly over the internet, the Apps' Brakes and Blackouts are examples of the convergence of dissatisfactions and collective demands for labor rights and decent work.

#### Faced with this scenario, the research points out some paths for action:

- Active and constant support from the unions to the initiatives of couriers in their struggle for rights. This support must involve solidarity, political backing and material and infrastructure support.
- Modifiering existing trade unions headquarters as support stations for delivery workers, as well as a place for training and socialization.
- Unions must listen carefully and welcome the demands of couriers, such as: increase in delivery fees and the minimum fee, end of undue blockages, purchase of insurance for theft and accidents, and the fight against cases of racism, prejudice, discrimination and harassment. This attentive listening must also merge labor rights with the class's desire for autonomy in choosing the platforms they prefer to use and in the construction of their own working hours.
- It is necessary that unions participate actively in the debates on the regulation of the activity of apps couriers. It is necessary that they share their experience and expertise in labor, social security and rights issues, and that they are also open to the debate on the business model of digital work platforms. It is the role of the union to serve as a bridge for dialogue between the working class and companies.
- It is also important that international trade union networks work directly with platforms too most of which are transnational. It is necessary to globalize the struggle to meet the demands of couriers, ensuring compliance with international mechanisms and standards for digital work.
- The trade union movement needs to invest in updating knowledge and action for the organization, fighting strategies and regulating work mediated by digital platforms.







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