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Prosperity or Precarity? Driving for Uber in Brazil

The phrase “gig economy” does not translate well into Portuguese, even though Brazil is Uber’s second largest market. Rather than an issue of idioms, what confuses the meaning is context. Technology-driven contract jobs take both credit and blame for disrupting industries and traditional work in the United States; however, informal employment has long [been the norm](#) in many other countries. Policymakers worry about this type of employment because for governments, informality means a smaller tax base and less ability to ensure social protections for some of the most vulnerable citizens. For workers, informal jobs often translate into [lower earnings](#) and higher risks. A substantial share of Brazilian workers—around 40 to 60 percent, [depending on metrics](#)—fall into the informal sector. Given informality’s normalcy and a backdrop of economic crisis, what does driving for Uber mean in Brazil?

The Tinker award allowed me to introduce fieldwork into previous desk-based research. Last semester, I analyzed Brazilian policy and regulatory frameworks for transport network companies like Uber. This summer, I conducted on-the-ground interviews to get a (quite literal) street-level view of employment conditions for Uber drivers in São Paulo, in order to better understand the lives and jobs of people behind the wheel.

Each Uber driver I spoke to in São Paulo knew exactly what their time was worth. In interviews ranging from eight to 28 minutes, 16 drivers explained how they met their daily income goals. They worked on average 11.75 hours a day—just under the maximum of 12 allowed by the Uber app, though some drove an excess of 13 hours by switching between ride-hailing platforms. Drivers usually took passengers six days a week, sometimes stopping on Sundays and sometimes resting when they were forced to by São Paulo’s *rodízio* vehicle restriction policy, meant to control traffic. No matter their driving schedules, they all worked full-time and nearly exclusively for Uber. One driver explained, “If you’re just driving 4 or 5 hours, you won’t make any money, there’s no way. Gasoline is expensive. Very expensive... People who do this will drop out quickly.” Several other drivers confirmed that fuel and vehicle costs discourage drivers from treating Uber as a “side gig” in São Paulo. Working between 60-70 hours a week, many drivers saw themselves as full-time employees of the San Francisco-based company, despite the contractual nature of the job.

São Paulo Uber drivers make around R\$3,500 to R\$4,000 per month, compared to the average Brazilian [monthly salary](#) of R\$2,112 and the Brazilian [minimum wage](#) of R\$969. However, they typically work 15-25 more hours per week than at a comparable formal sector job. Those who had previously worked in the transport sector, including a former executive driver and a former refrigerated truck driver, commented on the increase in working hours. One explained:

I drive 12 or 13 hours a day. It’s a lot. It’s more than I used to drive before. Uber is a cheap service, you know? Even in comparison with taxis. The price is cheap, so the amount of work goes up. If you don’t work enough you won’t reach your [monetary] goal for the day. You can’t always reach your goal, but the majority of the time you do, you get there. That’s important.

This man, who previously drove luxury vans, had little choice in leaving his job at the premium transport company and contracting with Uber. Since the start of Brazil's economic crisis, large companies have cut perks like executive transportation—or they have switched to hailing UberBlack cars. Despite working longer hours, this driver expressed gratitude that the option to continue driving with Uber existed at all in the current economy. "It's a country-wide problem," he said, explaining people's scramble for jobs. "It's complicated. It's not easy in Brazil, we're all artists here. We make life happen, and you have to hold onto happiness."

While many of the drivers I spoke with began working for Uber after losing their formal jobs during the economic crisis, some actively chose to leave traditional employment to drive with the app. The formal sector, while providing better legal protections and social benefits, does not always ensure quality employment, especially at lower income levels. One driver, who formerly worked for a communications firm and sat at a desk reviewing television channels for airtime and advertisement control, explained, "I was working, and I was unsatisfied... I like this better. I have flexibility with my schedule, and that's the best part." Other drivers noted how interacting with passengers made their Uber work more interesting and fulfilling than their previous desk work. One driver said, "I am loving Uber, I adore it. I get to be on the streets, talking to people. I learn so much, just from my car." Another driver, who completes about 130 trips a week, felt tied to the lives of his passengers. "Sometimes you get good stories, but sometimes you get stories that weigh on you and stay with you," he said. "Someone doing dialysis, who was going to the hospital... There are trips that stay with you. I could take 10,000 trips, and some of these trips will never leave my mind."

Beyond long hours, drivers consistently complained about the commission Uber takes. While many were glad for a job during the crisis, they simultaneously critiqued the company. One driver said, "It's 25% that Uber was taking, but now sometimes it's 40, almost 50% depending on the trip. Uber says that's not true, but they're taking it... And we're the ones working." Many drivers similarly collaborated that the change in the way Uber takes commission—from a 25% flat fee to a fluctuating equation that takes into account time and distance—has hurt their earnings. Despite using the narrative that they had "no boss," drivers clearly saw how the company made decisions that negatively impacted their earnings and work.

The greatest risk these contract drivers take on is possible assault, especially since Uber began accepting cash. There is no option for drivers to refuse cash-paying passengers, though many drivers wish there were. A man who had been assaulted while driving but who continued working for Uber said, "I just wish there were a choice to take cash or not, especially at night, I'd only take card. With card you get more information on the passenger, more details. Cash doesn't tell you anything. It's very dangerous." With cash, questions of racial and social equity are also at play—Uber maintains that the option allows the poorest to access its service. One driver agreed: "Sometimes I've gone into favelas, and I've never had any problem. They love riding Uber. They give you the cash they have, all crinkled up, but they pay you. For me, it's great." Cash, which can account for about 30% of São Paulo Uber drivers' earnings, also allows drivers to evade reporting part of their income—and most drivers take advantage of this. Some drivers, including retired men receiving social security, do not report any of their earnings for taxes. One explained:

There's still no well-defined policy around declaring these earnings for us, so it's fine. It would be bad if I had to declare my Uber earnings. Because right now, driving 12 hours a

day, I'm not making more than 3,500 a month. And in Brazil, that is reasonable... Uber is a decent income, but it's a big sacrifice for 3,500 a month. It's enough to survive, though. But paying taxes would make it harder.

While driving for Uber in Brazil is not particularly lucrative when adjusting for hours worked, it is also not especially precarious in terms of income earned—more so when drivers decide not to report earnings. The greatest risk comes with the threat of assault, especially at night and in the periphery of the city. As drivers complain about Uber's increasing commission, apps like 99 are competing to win workers over with the promise of taking just a 13% cut—half or less of what Uber takes. Competition between ride-hailing apps is clearly beneficial to drivers.

On my last day in São Paulo, I told all this to a friend of mine who works as an expat in São Paulo for another California-based technology company. After recounting how Uber drivers showed me their meticulously-filed gasoline receipts, out of curiosity, I asked her what her tech company paid her as a formal employee: R\$22,000 per month, nearly putting her in Brazil's one percent.