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STUDIES AND RESEARCH

The wage labour market in rural Brazil

DIIESE
DEPARTAMENTO INTERSINDICAL DE
ESTATÍSTICA E ESTUDOS SOCIOECONÔMICOS



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Brasil



METHODOLOGICAL NOTES

(Source: IBGE)

Continuous National Household Sample Survey (PNAD-C)

Continuous PNAD is a household survey that provides basic information for the study of Brazil's socioeconomic development. In addition, it enables ongoing examination of labour and income indicators according to the country's changing circumstances.

The survey is the main tool for monitoring the workforce, with highly applicable results. For example, it provides detailed information on employment and unemployment, which are among the main performance indicators for Brazil's economy.

The survey adopts a household-based sample. An interview is conducted at each household once every quarter, for five consecutive quarters, to collect information about that household and its members. As the name implies, PNAD-C is an ongoing survey with quarterly data collection.

Population Census

Every ten years, IBGE's Population Census counts the number of people living in Brazil, identifying their characteristics and showing how they live, thus providing essential information for policymaking and investment decisions by the private sector or any level of government. It is also the only reference on the living situation of the population in municipalities and their subdivisions such as districts, neighbourhoods and localities, whether rural or urban, whose realities are known and have their data updated based on that information.

The Census covers the entire population living in Brazil. The information is collected through face-to-face interviews that apply a questionnaire to all people residing in the country's national territory.

Due to the Covid-19 pandemic, the Population Census was not conducted in 2020. In 2021, it did not take place either because of budget restrictions. The next Census will begin on August 1, 2022.

Agricultural Census

The Agricultural Census, conducted every ten years by the Brazilian Institute of Geography and Statistics (IBGE), is the main and most complete statistical and territorial

survey of the country's farming production. It collects information on the structure, dynamics and level of production of Brazil's agriculture and livestock activities.

The resulting data informs evaluation of public policies such as land redistribution. They also enable studies on the expansion of agricultural frontiers and production dynamization as a result of new technologies, in addition to improving collection of environmental indicators. Furthermore, they inform analyses on the changes resulting from economic restructuring and adjustments, and their effects on the sector.

While the monthly and quarterly surveys on agriculture and livestock provide data on Brazil as a whole and its Major Regions and Federation Units (states), the results of the Agricultural Census refer to municipalities and localities. Distinct territorial divisions can be aggregated and analysed, such as environmental conservation units, indigenous lands, water basins, biomes, land reform settlements, remaining quilombo areas, etc.

The census could not be conducted in 1990, being resumed only in 1996 and then conducted again in 2007. The latest Agricultural Census (11th edition) took place in 2017.

The wage labour market in rural Brazil

This study will present some indicators on the profile of people working in productive activities in rural areas, more specifically wage earners.

One of the goals of the study is to identify relevant issues for the labour union movement in that economic sector. In addition, it will point out some challenges for policymaking aimed at mitigating the centuries-old socioeconomic inequalities existing in rural Brazil.

The socioeconomic indicators presented and analysed in this study were derived from the Population Census, the Agricultural Census, and the Continuous National Household Sample Survey (PNAD-C) conducted by the Brazilian Institute of Geography and Statistics (IBGE).¹

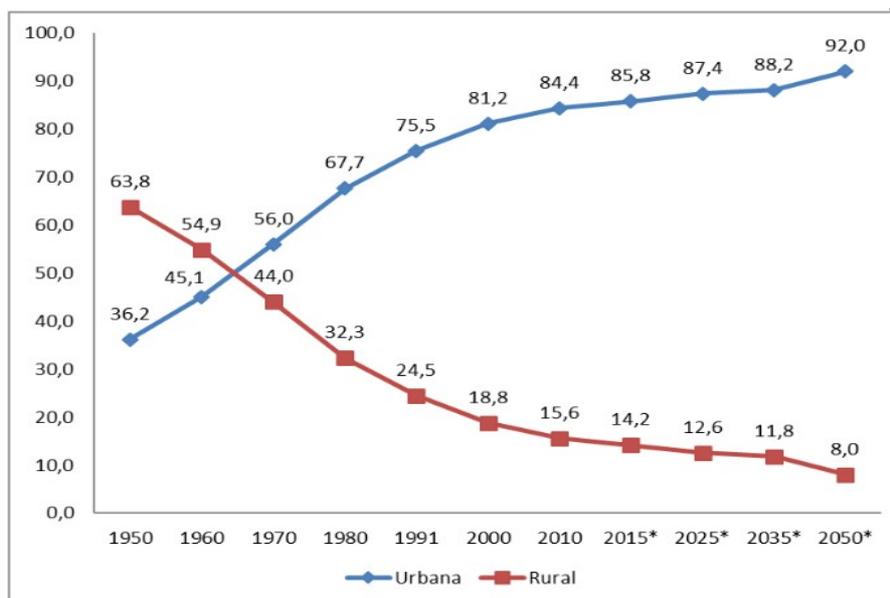
Changes in the profile of the Brazilian population

In 2010, Brazil had a population of 190 million, according to IBGE's latest Census. Rural dwellers were approximately 30 million people, accounting for 15.6% of the country's total population. Of those, 52% were men and 48% were women.

The number of Brazilians living in rural areas has decreased sharply in the last five decades. In 1950, they were 63.8 percent; in 1970, the situation had reversed, and the population had become predominantly urban. In 1980, rural dwellers accounted for 32.3% of the country's total population. According to estimates, they will be only 8% by 2050 (Chart 1).

¹ See Methodological Notes.

Chart 1
Evolution of the Brazilian population by place of residence
Brazil – 1950-2050 (%)



Source: IBGE Census.

Prepared by DIEESE.

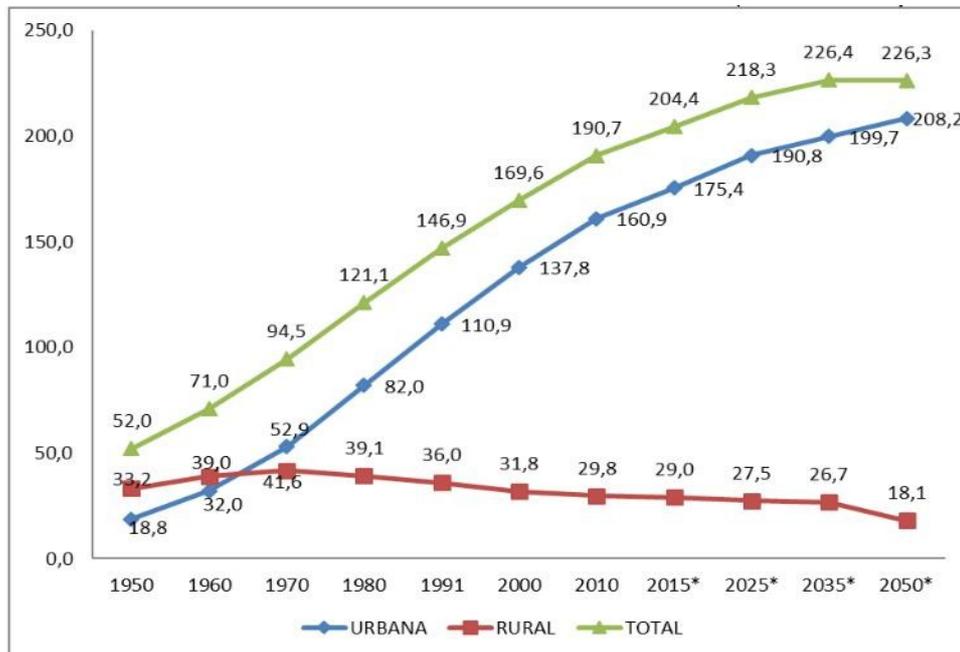
Note: * Projection by DIEESE based on IBGE 2013

Brazil's rural areas will have an estimated population of 18.1 million in 2050, while the country as a whole will have 226.3 million people.

The substantial reduction in the rural population is a result of several factors related to the changes that took place in the country's society and production structure, including a) industrial concentration in urban areas, which attracts labour from rural areas; b) changes in the agricultural production process such as new agricultural frontiers, increasing credit supply, specialization of production in the agricultural process, among others;² c) poor or non-existent health, education and transportation services in rural areas; d) persistent shortage of rural jobs, poor working conditions and insecure employment relations, even though the country's 1988 Federal Constitution guaranteed equal rights for urban and rural workers regarding contract and social security issues and the remarkable technological changes that have taken place in rural Brazil; e) technological improvement of farming activities; f) demographic changes that resulted in lower fertility rates and, consequently, in lower replacement rates in the labour market; and g) higher concentration of land ownership as a result of the absence of a national land reform policy.

² See DIEESE (2012, pp. 113-143).

CHART 2
Evolution of the Brazilian population by place of residence
Brazil – 1950-2050 (million people)



Source: IBGE. Census.
 Prepared by DIEESE's Contag Subsection.
 Note: * Projection by DIEESE based on IBGE 2013.

These changes had major impacts both on the labour market and the profile of farm workers, and they directly affect Brazilian rural labour unions.³ These impacts will be detailed in the next sections.

Occupation in rural Brazil

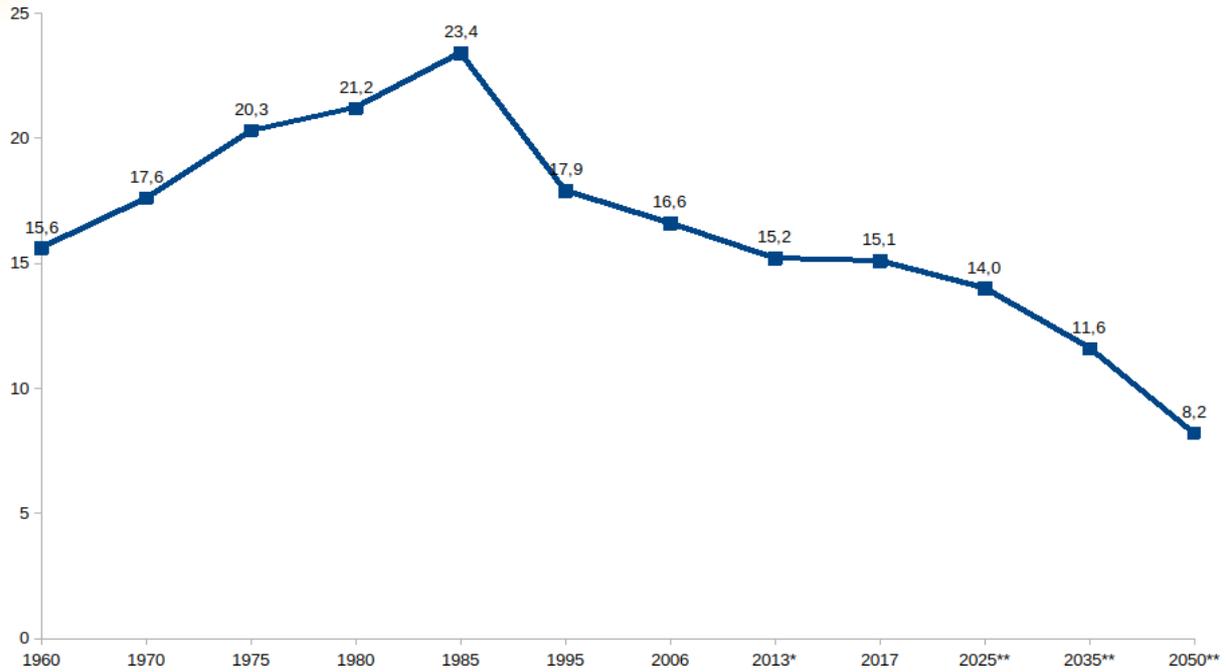
From 1960 to 1985, the number of people working in Brazil's rural areas (aged 10 years and over) jumped from 15.6 million to 23.4 million. From 1985 onwards, however, there was steady reduction in farm labour. In 1995, farm workers were 17.9 million, decreasing to 15.1 million in 2017 – a 2.8-million or 15.6% drop over 22 years.

Estimates project only 8.2 million farm workers in 2050 (Chart 3).

CHART 3

³ See DIEESE (2013).

Evolution of work in farming establishments Brazil – 1960-2050 (million people)



Source: IBGE. Agricultural Census.

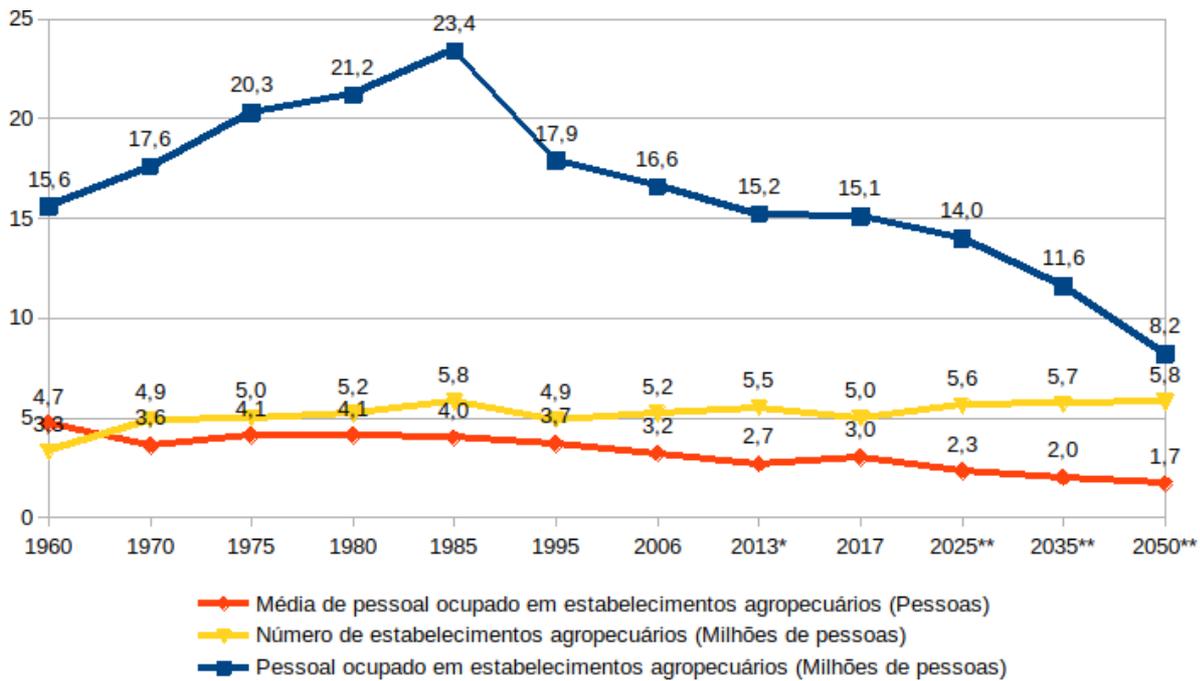
Note: *Employed people based on data from PNAD-C/2013 (IBGE)

**Estimate by DIEESE.

On the other hand, the number of farming establishments has remained stable around five million units in recent decades, showing reduction in the number of workers per establishment – approximately four in 1985. That figure dropped to 3.2 in 2006 and to 3 in 2017. If this trend is sustained, the estimate for 2050 is that each establishment will have fewer than two workers (Chart 4).

CHART 4

Workers, number of farming establishments, and number of workers per establishment. Brazil – 1960-2050



Source: IBGE. Agricultural Census; Dataluta/Unesp; Inc.

Note: * People working, based on data from PNAD-C/2013 (IBGE)

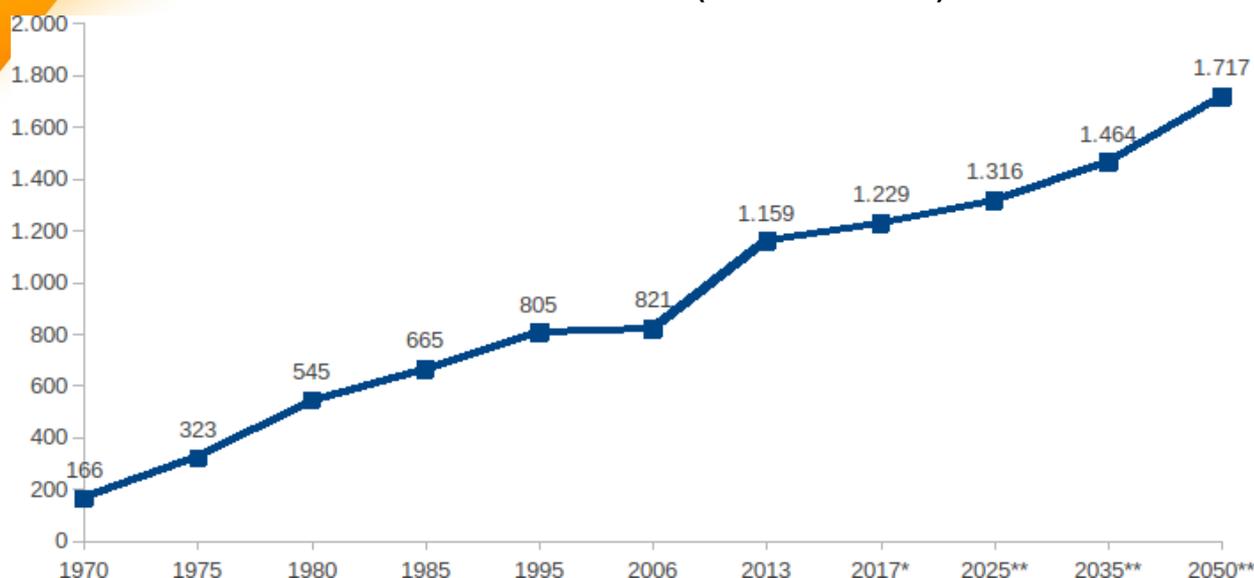
**Estimate by DIEESE

The fall in the number of people working in farming is partly a result of continuous mechanization of the production process in agriculture. In 1970, there were approximately 166,000 tractors in operation in Brazil; in 2017, they were more than 1.22 million. In addition to the higher number, tractors have become increasingly sophisticated in terms of technology, and their operation demands a better trained and educated workforce. Furthermore, their incorporation into the production process has increased labour productivity.⁴ The number of tractors estimated for 2050 is 1.7 million units.

CHART 5 Evolution of the number of tractors in use in farming establishments

⁴ Overall, the increase in total factor productivity (land, labour and technology) also explains Brazilian agricultural production growth from 83 million tonnes of grain in 2000 to an estimate of more than 195 million tonnes in 2014. Output per hectare increased from 2,195 kg to 3,550 kg between 2000 and 2014 (IBGE: Municipal Agricultural Production; Conab: Harvest Surveys).

Brazil – 1970-2050 (thousand units)



Source: Anfavea.

Notes: *IBGE. 2017 Agricultural Census

** Estimate by DIEESE.

Occupational categories in farm work

The occupational structure in rural Brazil includes the following categories: employees (whether they are registered or not); employers; unpaid workers; and self-employed workers.⁵

According to the Continuous National Household Sample Survey conducted by the Brazilian Institute of Geography and Statistics (PNAD-C/IBGE), the number of registered and unregistered wage workers remained around 3.6 million between 2012 and 2021, while the number of employers saw a slight increase in the period, from 271,000 to 273,000.⁶

The number of unpaid workers, in turn, dropped from 1.8 million to 1 million. This occupational category includes mainly children, young people and women. That decline is related, on the one hand, to income transfer policies implemented in the 2000s and, on the other hand, to migration towards urban areas for personal or work-related reasons, mainly by young people aged 16-24.

Finally, the number of self-employed workers decreased from 4.5 million to 3.9 million.

⁵ **Employee** – a person who works for an employer (an individual or a legal entity), usually during regular working hours and receiving payment for it, whether in cash, goods, products or benefits (housing, food, clothes, etc.); **Self-employed worker** – a person who works on his or her own enterprise, alone or with partners, without employees, with or without the help of unpaid workers. **Employer** – a person who works on his or her own enterprise, with at least one employee. **Unpaid worker** – a person who works without pay for at least one hour a week, helping a member of the household who was either employed in production of primary goods (agriculture, forestry, livestock, vegetable or mineral extraction, hunting, fishing or fish farming), a self-employed worker or an employer (Methodological Notes, PNAD 2013).

⁶ Recent rural development in Brazil is deeply marked by the agricultural model driven by corporate agribusiness, a historical product of the interconnection between financial capital, industrial capital, and large land properties, and strongly supported by government interventions. (DIEESE, 2012).

The sum of the numbers of self-employed and unpaid workers indicates, roughly, the number of people working in family farming.⁷ In the period in question, this figure increased from 6.3 million to 4.9 million.

CHART 6
Evolution of the agricultural labour market according to type of occupation
Brazil – 2012-2021 (thousand people)



Source: IBGE. PNAD-C – 2012-2021
 Prepared by DIEESE

Data from the 2021 edition of PNAD-C/IBGE show that farm workers aged 10 and older were 8.9 million and accounted for 30.8% of Brazil’s rural population of 28.9 million. These workers were 10.1% of the 88.1 million people occupied in the country. Of all the people working in farming, 80.1% or 7.1 million were men and 19.9% or 1.7 million were women.

Of the total number of people in farming occupations, 41.1% or 3.6 million were registered or unregistered employees; 44.4% or 3.9 million were self-employed workers; 11.4% or 1 million were unpaid workers; and 3.1% or 273,000 were employers (Table 1).

TABLE 1
Agricultural labour market according to position in occupation.
Brazil – 2021 (thousand people and percentage)

Position in occupation	Number	%
Workers (both registered and unregistered)	3,652	41.1
Self-employed workers	3,945	44.4
Unpaid workers	1,011	11.4
Employers	273	3.1
Total	8,881	100.0

Source: IBGE – PNAD-C

⁷ “Family farming is the cultivation of land by small rural landowners, with their nuclear families as the predominant workforce.” (PORTUGAL, 2004).

Rural wage labour

Table 2 shows that, in 2021, 2.1 million out of a total of 3.6 million wage workers – or 58.3 percent – were not registered, that is, they were not protected by labour legislation.⁸ Unregistered employees are illegal but very common in Brazil, especially in rural areas.

TABLE 2
Rural wage workers by state and region; illegality or informality rates (aged 10 and over)
Brazil – 2021

State	Employees		Registered	Unregistered	Illegality/ informality rate (percentage of unregistered workers/total employees)
	Number	%			
Rondônia	38,439	1.1	18,232	20,206	52.6
Acre	11,536	0.3	3,675	7,862	68.1
Amazonas	20,828	0.6	5,052	15,777	75.7
Roraima	4,664	0.1	1,738	2,927	62.7
Pará	183,702	5.0	32,140	151,562	82.5
Amapá	3,655	0.1	2,999	655	17.9
Tocantins	54,933	1.5	24,903	30,030	54.7
North	317,757	8.7	88,738	229,019	72.1
Maranhão	137,239	3.8	27,196	110,043	80.2
Piauí	69,824	1.9	11,666	58,158	83.3
Ceará	152,275	4.2	16,857	135,418	88.9
Rio Grande do Norte	72,084	2.0	25,480	46,605	64.7
Paraíba	95,510	2.6	23,994	71,517	74.9
Pernambuco	147,304	4.0	41,982	105,322	71.5
Alagoas	95,305	2.6	47,747	47,558	49.9
Sergipe	71,317	2.0	14,801	56,516	79.2
Bahia	464,600	12.7	80,261	384,339	82.7
Northeast	1,305,458	35.7	289,984	1,015,473	77.8
Minas Gerais	602,499	16.5	280,199	322,300	53.5
Espírito Santo	83,169	2.3	26,834	56,335	67.7
Rio de Janeiro	41,111	1.1	15,027	26,084	63.4
São Paulo	400,580	11.0	289,697	110,884	27.7
Southeast	1,127,360	30.9	611,757	515,603	45.7
Paraná	202,740	5.6	113,363	89,377	44.1
Santa Catarina	73,943	2.0	46,496	27,448	37.1

⁸ Among the rights guaranteed by Brazilian labour legislation, the following stand out: 1) a signed contract since the first day of work, guaranteeing, among other rights, immediate proof of length of service for retirement; 2) medical examinations upon admission and dismissal; 3) one paid day off per week; 4) payment by the 5th business day of the following month; 5) half of the 13th salary paid together with the November salary and second half paid by December 20; 6) 30-day paid vacation plus 1/3 of the monthly salary; 7) transportation vouchers with a maximum discount of 6% of the salary; 8) for women: 120-day maternity leave with guaranteed employment that can be taken from conception up to five months after childbirth; 9) for men: five consecutive days of paternity leave; 10) work leave in cases of marriage (3 days), blood donation (1 day a year), voter registration (2 days), death of a close relative (2 days), testimony in Labour Court (on the day), illness proven by medical certificate; 11) paid overtime – minimum 50% increase over regular hourly wages; 12) proportional notice of at least 30 days in case of dismissal; 13) unemployment insurance.

Rio Grande do Sul	164,551	4.5		90,923	73,628	44.7
South	441,234	12.1		250,782	190,453	43.2
Mato Grosso do Sul	121,062	3.3		98,376	22,687	18.7
Mato Grosso	138,784	3.8		104,057	34,727	25.0
Goiás	189,754	5.2		110,652	79,101	41.7
Distrito Federal	10,604	0.3		6,207	4,398	41.5
Centre-West	460,204	12.6		319,292	140,912	30.6
Total	3,652,013	100.0		1,560,553	2,091,460	58.3

Source: IBGE. PNAD-C 2021

Prepared by DIEESE.

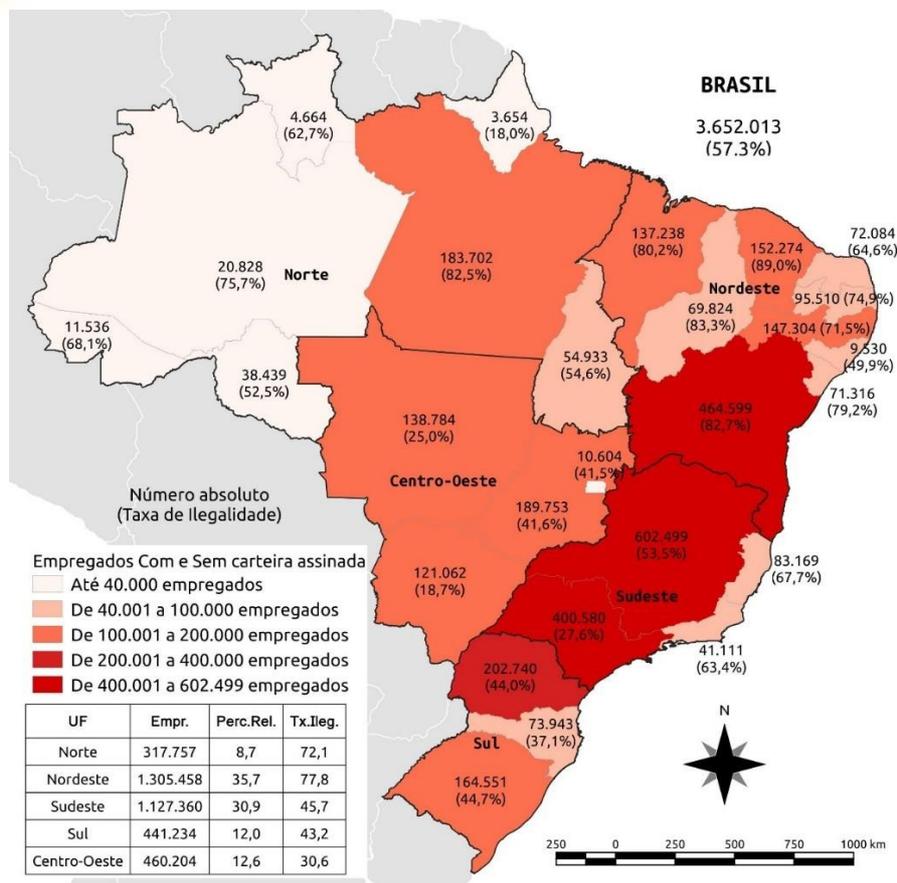
As for geographic distribution, rural wage workers were concentrated in Brazil's Northeast (35.7 percent or 1.3 million) and Southeast (30.9 percent or 1.1 million) regions.

In most states, rates of unregistered wage workers were above the national average. In Pará, Maranhão, Piauí, Ceará and Bahia, illegality/informality rates for rural wage workers exceeded 80%.

Brazil's North and Northeast regions had the highest illegality/informality rates for rural wage workers (72.1% and 77.8%, respectively), while the Centre-West had the lowest rate (30.7%).

Figure 1 shows illegality/informality rates among rural wage works by state and geographic region.

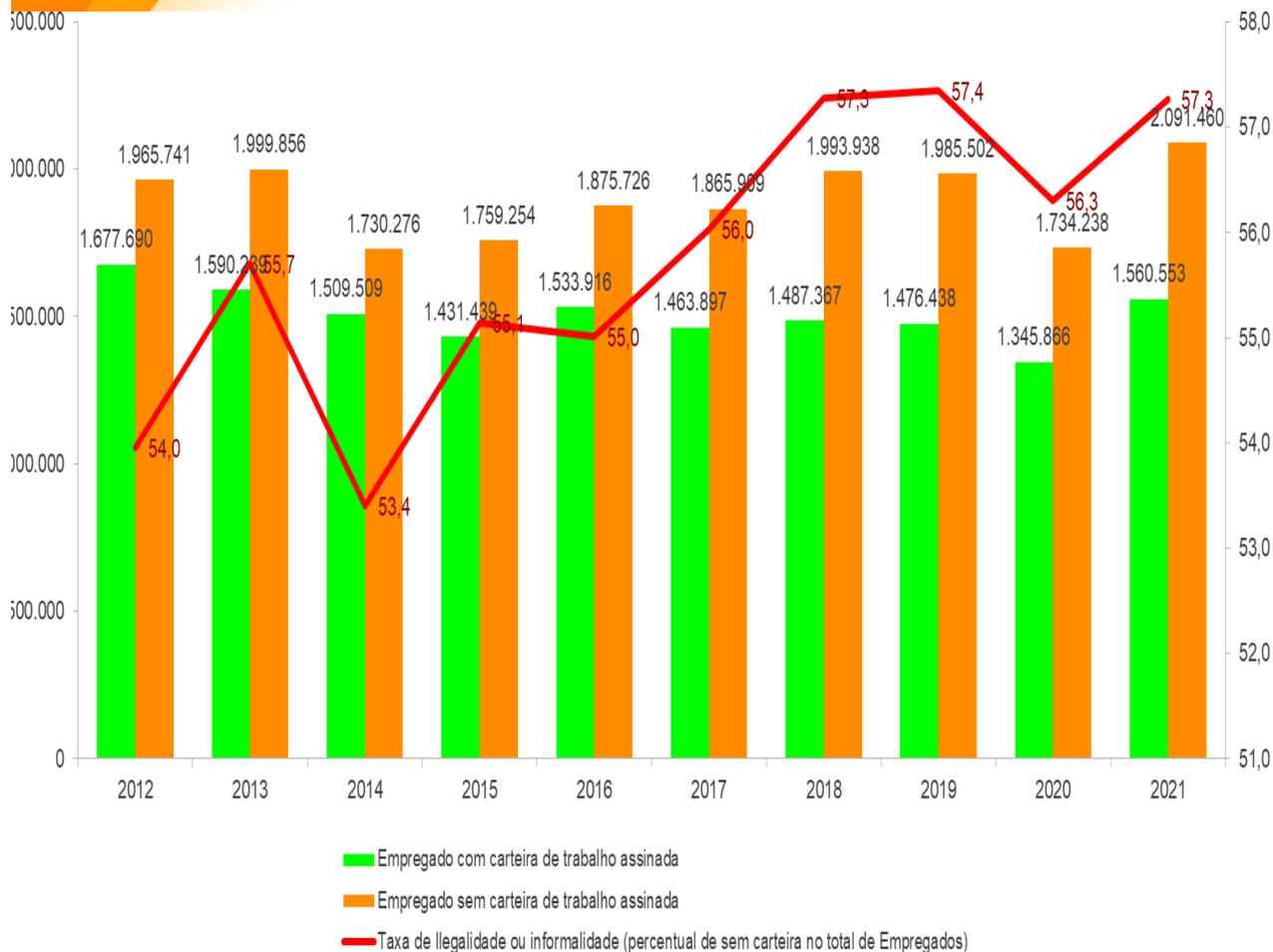
FIGURE 1
Wage workers in rural areas and illegality/informality rates (aged 10 and over)
Brazil – 2021



Source: IBGE. PNAD-C 2021.
Prepared by DIEESE.

The illegality/informality rate among rural wage workers increased from 2012 to 2021 (54%-58.3%), being among the highest in Brazil's labour market (Chart 7). That increase in illegality/informality is a disturbing indicator in a labour market in which the phenomenon is structural.

CHART 7
Rural wage workers – according to position in occupation and illegality/informality rates
Brazil – 2012-2021



Source: IBGE. PNAD-C 2012-2020.
Prepared by DIEESE.

Another indicator that shows deterioration in the conditions of the rural labour market in the period in question is the extinction of just over 100,000 formal jobs. In 2012, 1.67 million rural wage workers held formal jobs; in 2021, that number had dropped to 1.56 million.

Certifications and increased government enforcement of legislation, among other measures, could contribute to reducing illegality/informality among rural wage earners. Historically, however, farming businesses strongly resist to complying with labour laws.

Furthermore, existing formal jobs demand an increasingly trained and educated workforce. Higher illegality/informality rates and the drop in registered wage labour demand stricter enforcement and a new arrangement of union organization in rural areas to enable representation for both categories of workers.

The 2021 PNAD-C edition also showed that 87.9% of rural wage earners were men and 12.1% were women.

Women were 10.5% of unregistered rural employees and 14.2% of registered ones (Table 3).



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TABLE 3
Rural wage workers by sex (aged 10 and over)
Brazil – 2021

	Rural employees		Registered rural employees		Unregistered rural employees	
	Number	%	Number	%	Number	%
Men	3.210,546	87.9	1,339,537	85.8	1,871,010	89.5
Women	441,467	12.1	221,016	14.2	220,451	10.5
Total	3.652,013	100.0	1,560,553	100.0	2,091,461	100.0

Source: IBGE. PNAD-C 2021
Prepared by DIEESE.

Profile of rural wage workers

The next sections present the profile of formal and informal rural wage workers. The indicators were provided by the 2019, 2020 and 2021 editions of PNAD-C/IBGE. Data reported in some tables refer to different years because IBGE has not updated some information – such as the number of union members and unionization rates – due to insufficient sampling.

Place of residence

As for workers' places of residence, 56.9% of rural wage earners lived in exclusively rural areas (rural zones, not including small villages) in 2021; 46.5% of registered wage workers and 64.6% of unregistered ones lived in exclusively rural areas.

Workers living in exclusively rural areas or on the very properties where they work are more likely to accept non-formal employment arrangements than those who live in urban areas or rural villages. Other factors contribute to the high percentage of unregistered wage workers living in exclusive rural areas, including migration, short-term jobs and family farmers that take paid jobs at certain times of the year.

TABLE 4
Rural wage workers by place of residence (aged 10 and over)
Brazil – 2021

Place of residence	Number	%	Registered	%	Unregistered	%
Urban	1,575,208	43.1	834,311	53.5	740,897	35.4
Rural	2,076,805	56.9	726,242	46.5	1,350,563	64.6
Total	3,652,013	100.0	1,560,553	100.0	2,091,460	100.0

Source: IBGE. PNAD-C 2020
Prepared by DIEESE

Social Security Contribution

Less than half of rural wage workers (46.6%) contributed to Social Security in 2021, and they are not or will not be entitled to its benefits, including retirement, pension, sick pay, or paternity and maternity leave. Only 6.7% of unregistered workers contributed to Social Security (Table 5).

TABLE 5
Rural wage workers according to their contribution to Social Security (aged 10 and over)
Brazil – 2021

Status	Rural employees		Registered rural employees		Unregistered rural employees	
	Number	%	Number	%	Number	%
Contribute	1,700,832	46.6	1,560,553	100.0	140,279	6.7
Do not contribute	1,951,181	53.4		0.0	1,951,181	93.3
Total	3,652,013	100.0	1,560,553	100.0	2,091,460	100.0

Source: IBGE. PNAD-C 2021
 Prepared by DIEESE

Union membership

Of a total of 3.5 million rural wage workers in 2019 (latest available data), only 410,000 (11.5%) declared to be union members. Among registered workers, 12.5% were members of some union while the percentage of union members among unregistered workers was lower (10.7%).

Of course, the absence of formal employment relationships keeps workers away from unions and does not guarantee them the rights provided for in conventions and collective bargaining agreements. Other reasons also influence the number of unionized workers, such as frequent migration, the distance between union headquarters and their places of residence or work, and the short duration and intermittent nature of rural jobs.

TABLE 6
Rural wage workers according to union membership (aged 10 and over)
Brazil – 2019

Status	Rural employees		Registered rural employees		Unregistered rural employees	
	Number	%	Number	%	Number	%
Members	410,114	11.5	189,448	12.5	220,666	10.7
Non-members	3,167,872	88.5	1,324,927	87.5	1,842,945	89.3
Total	3,577,986	100.0	1,514,375	100.0	2,063,611	100.0

Source: IBGE. PNAD-C 2019
 Prepared by DIEESE

Note: Data not updated by IBGE for 2020 and 2021 due to insufficient sampling.

Schooling

As for their level of schooling, in 2021, 429,000 or 11.7% of rural wage workers had no education at all or had gone to school for less than one year. Those with 1-3 years of schooling were 905,000 or 24.8%. Both groups totalled 36.6% of all rural wage earners – 1.3 million workers with very little education or illiterate.

In general, a significant portion of rural wage earners (39.4%) had low schooling, that is, up to seven years. This hampers their professional qualification and their chances of getting better jobs.

Among registered wage workers, 40.1% or 626,000 were concentrated in groups with lower education levels (no schooling or less than one year; and 1-3 years). However, this category includes a higher proportion of workers (32.2%) with 1-3 years of schooling.

Among unregistered wage workers, 33.9% or 709,000 were concentrated in groups with lower levels of education (no schooling or less than one year; and up to 3 years). In this category, 19.3% of workers had 1-3 years of schooling.

TABLE 7
Rural wage workers groups by years of schooling (aged 10 and over)
Brazil – 2021

Status	Rural workers			Registered rural workers			Unregistered rural workers		
	Number	%	Cumulative %	Number	%	Cumulative %	Number	%	Cumulative %
No schooling or less than one year	429,026	11.7	11.7	123,937	7.9	7.9	305,089	14.6	14.6
1-3 years	905,943	24.8	36.6	502,085	32.2	40.1	403,858	19.3	33.9
4-7 years	102,742	2.8	39.4	82,211	5.3	45.4	20,530	1.0	34.9
8-10 years	1,135,065	31.1	70.4	440,804	28.2	73.6	694,260	33.2	68.1
11-14 years	774,213	21.2	91.6	330,837	21.2	94.8	443,376	21.2	89.3
15 years and over	305,025	8.4	100.0	80,679	5.2	100.0	224,346	10.7	100.0
Total	3,652,013	100.0		1,560,553	100.0		2,091,460	100.0	

Source: IBGE. PNAD-C 2021

Prepared by DIEESE

Income

Low schooling combined with high illegality/informality often translates as low pay⁹ and therefore as poverty.

In 2021, the monthly incomes¹⁰ of most rural wage workers – both registered and unregistered – were in the ranges of up to 0.5 Minimum Wage (MW) and 0.51-1 MW, totalling

⁹ Studies point to a close link between improvement in education levels and decrease in illegality/informality. See, for example, Barbosa Filho and R. Moura (2012).

¹⁰ Per capita income.

2.2 million people. Considering the total number of 3.6 million – registered and unregistered – rural wage workers, 61% were paid very low wages in 2021.

Among registered workers, 532,000 were paid up to 1 MW and 479,000 received 1.01-1.5 MW.

However, wages were much lower for unregistered workers, as 872,000 were paid up to 0.5 MW and 831,000 received 0.51-1 MW (Table 8).

In 2021, the Minimum Wage in Brazil was R\$ 1,100 while the average monthly income of registered rural workers was R\$ 1,944.89. The average monthly income of unregistered rural workers was R\$ 960.68, that is, 12.7% below the MW and 50.6% below the average monthly income of registered ones (Table 8.1).

TABLE 8
Rural wage workers according to the monthly income ranges of their main jobs
(aged 10 and over)
Brazil – 2021

MW ranges (R\$ 1,100)	Registered	%	Unregistered	%	Total
Up to 0.5 MW (up to R\$ 550)	9,298	0.6	872,247	41.7	881,545
0.51-1 MW (R\$ 561-R\$ 1,100)	523,301	33.5	831,377	39.8	1,354,677
1,01-1,5 MW (R\$ 1,111-R\$ 1,650)	479,249	30.7	221,404	10.6	700,653
1,51-2 MW (R\$ 1,661-R\$ 2,200)	263,004	16.9	89,511	4.3	352,515
2,01-3 MW (R\$ 2,211-R\$ 3,300)	208,604	13.4	43,519	2.1	252,123
Over 3 MW (Over R\$ 3,300)	77,097	4.9	25,248	1.2	102,345
Unknown	0	0.0	8,156	0.4	8,156
Total	1,560,553	100.0	2,091,460	100.0	3,652,013

Source: IBGE. PNAD 2021

Prepared by DIEESE.

TABLE 8.1
Average income of rural wage earners by occupational status
3rd quarter of 2021

Occupational status	Average income R\$)
Registered	1,944.89
Unregistered	960.68
Total	1,604.94

Source: IBGE. PNAD-C 3Q2021.

Prepared by Dieese

Household income (per capita)

Poor conditions faced by people living in rural Brazil can also be seen in rural wage

workers' per capita household income. Household income determines the quality of life of workers' families since it will be divided among all the members of the household.

In 2020 (IBGE has not released data on 2021), the average monthly per capita household income of Brazilian rural wage workers was R\$ 813.37 (Table 9). Unregistered workers earned even less in that year – R\$ 594.25 or just over half (59.54%) the Minimum Wage (R\$ 1,045). This value, in turn, was almost 30% below the average per capita household income of registered workers, which was R\$ 1,112.00.

Table 9 also shows that, in 2020, 87.4% of unregistered rural wage workers lived in households whose average monthly per capita income was up to half a minimum wage (R\$ 522.50). This means that a significant portion of rural workers used to live in poverty or extreme poverty.

TABLE 9
Rural wages workers according to monthly, per capita household income groups
(aged 10 and over)
Brazil – 2020

MW ranges (R\$ 1.045)	Rural workers		Registered rural workers		Unregistered rural workers	
	Number	%	Number	%	Number	%
Up to 0.5 MW (up to R\$ 522.50)	2,730,679	76.3	926,384	61.2	1,804,295	87.4
0.51-1 MW (R\$ 522.51-R\$ 1,045.00)	485,896	13.6	317,570	21.0	168,326	8.2
1.01-1.5 MW (R\$ 1,045.01-R\$1,567.50)	181,654	5.1	123,992	8.2	57,663	2.8
1.51-2 MW (R\$ 1,567.51-R\$ 2,090.00)	75,943	2.1	62,813	4.1	13,130	0.6
2.01-3 MW (R\$ 2,090.01-R\$ 3,135.00)	56,339	1.6	45,862	3.0	10,477	0.5
Over 3 MW (Over R\$ 3,135.00)	47,240	1.3	37,519	2.5	9,721	0.5
Total	3,577,750	100.0	1,514,139	100.0	2,063,611	100.0
Wage workers' average income as members of their households	R\$ 813.37		R\$ 1,112.00		R\$ 594.25	

Source: IBGE. PNAD-C 2020
Prepared by DIEESE

Skin colour and age

Rural wage earners were mostly black or *pardo* (mixed race) and accounted for 69.6% of the total number of workers in this category. Whites were 29.5%, indigenous people were 0.4%, and people of Asian background were 0.5% (Table 10).

Considering only unregistered wage workers, the percentage of blacks and *pardos* rises to 74% while whites' share drops to 25.1%. In other words, blacks and *pardos* were 3/4 of unregistered rural wage workers.

TABLE 10
Rural wage workers by skin colour (aged 10 and over)
Brazil – 2021

Skin colour	Rural employees		Registered		Unregistered	
	Number	%	Number	%	Number	%
Whites	1,077,910	29.5	553,887	35.5	524,023	25.1
Black/ <i>pardo</i>	2,542,463	69.6	994,391	63.7	1,548,073	74.0
Asian	16,528	0.5	6,764	0.4	9,764	0.5
Indigenous	14,471	0.4	5,511	0.4	8,960	0.4
Unknown	641	0.0	0	0.0	641	0.0
Total	3,652,013	100.0	1,560,553	100.0	2,091,460	100.0

Source: IBGE. PNAD-C 2021
Prepared by DIEESE

Table 11 shows that rural employees were mainly in the 18-25 (17.7%), 26-32 (17.6%), 33-39 (19.5%), and 40-49 (24%) age groups.

The significant share of young people – 18-25 and 26-32 age groups – among rural employees is related to the fact that working in plantations, such as in sugarcane cutting, requires physical strength. In recent years, the volume of cane cut by a worker has gone from 3-4 to 10-12 tonnes a day, requiring strength only found among younger workers.

TABLE 11
Rural wage earners by age group (aged 10 and over)
Brazil – 2021

Age groups (years)	Rural employees		Registered		Unregistered	
	Number	%	Number	Number	%	Number
10-15	22,171	0.6	958	0.1	21,213	1.0
16-17	70,582	1.9	4,037	0.3	66,545	3.2
18-25	647,930	17.7	246,990	15.8	400,940	19.2
26-32	644,010	17.6	291,667	18.7	352,343	16.8
33-39	710,821	19.5	348,110	22.3	362,711	17.3
40-49	875,401	24.0	406,224	26.0	469,177	22.4
50-59	497,666	13.6	205,265	13.2	292,401	14.0
60 and over	183,432	5.0	57,302	3.7	126,130	6.0
Total	3,652,013	100.0	1,560,553	100.0	2,091,460	100.0

Source: IBGE. PNAD-C 2021
Prepared by DIEESE

Employment relationship

Seasonal production gives the wage labour market in rural areas unique characteristics. Distinct crops have distinct planting, tillage and harvest periods. Some workers are hired at different stages of the production process. Therefore, temporary jobs are very common in farming, accounting for 28.0% of hires. Most workers in this condition (45.4%) are not registered, and only a small portion (5.5%) is protected by labour legislation (Table 12).

Usually, the shorter the length of work, the greater the share of unregistered workers among rural wage earners.

Systematic inspection, together with agile processes to sanction companies, would be very important in curbing illegal rural labour. However, since the 2017 labour reform, agencies in charge of protecting workers' rights have been disrupted, creating a series of obstacles to their work.¹¹

TABLE 12
Rural wage earners, by type of employment (aged 10 and over)
Brazil – 2020

	Rural employees		Registered		Unregistered	
	Number	%	Number	%	Number	%
Permanent employment	2,218,630	72.0	1,271,623	94.5	947,007	54.6
Temporary employment	861,473	28.0	74,243	5.5	787,230	45.4
Total	3,080,104	100.0	1,345,866	100.0	1,734,238	100.0

Source: IBGE. PNAD-C 2020

Prepared by DIEESE

Note: Data not updated by IBGE for 2021 due to insufficient sampling.

Farming activities

Table 13 shows that 2.8 million workers were concentrated in the 10 top farming activities. Considering that the sector employed about 3.6 million people in 2021 according to PNAD-C/IBGE (Table 10), those 10 activities accounted for 77.8% of all rural employees.

Among those 10 top activities, cattle raising had 927,000 employees or 32.7% of the total, and sugarcane and soybean crops employed 295,000 and 262,000 people, respectively (10% and 9, 37% of the total).

In cattle, 37% of workers were registered while 63% were not. They were 82.9% and 17.1% in sugarcane plantations, and 73.6% and 26.4% in soybean, respectively.

In the 10 largest rural activities, 44.1% of employees were registered while 55.9% were not.

TABLE 13
Rural wage workers according to the 10 top economic activities (aged 10 and over)
Brazil – 2021

¹¹ Law 11,718/2008 means some progress in this aspect by creating the short-term rural workers' contract that guarantees them all labour rights based on days worked and paid upon receipt. Together with E-Social, a federal government project to unify employee information submission by employers (www.esocial.gov.br), it enables actual implementation of the promises of improved and simpler procedures in order to disseminate legal labour relations in the rural sector.

Activities	Rural employees		Registered		Unregistered	
	Number	%	Number	%	Number	%
Cattle	926,977	32.7	342,614	37.0	584,363	63.0
Sugar cane plantation	295,248	10.4	244,741	82.9	50,507	17.1
Soy plantation	262,375	9.3	193,075	73.6	69,300	26.4
Forestry	227,866	8.0	114,367	50.2	113,499	49.8
Other crops not previously identified	223,843	7.9	38,853	17.4	184,990	82.6
Coffee plantation	215,988	7.6	75,625	35.0	140,363	65.0
Other permanent crops including fruit and plants not previously identified	195,193	6.9	55,867	28.6	139,326	71.4
Corn plantation	176,064	6.2	38,687	22.0	137,377	78.0
Horticulture	173,461	6.1	42,793	24.7	130,668	75.3
Poultry farming	135,950	4.8	103,430	76.1	32,520	23.9
Total of the 10 largest activities	2,832,965	100.0	1,250,052	44.1	1,582,913	55.9

Source: IBGE – PNAD-C 2021

Prepared by DIEESE

Poor working conditions and insecure employment relations

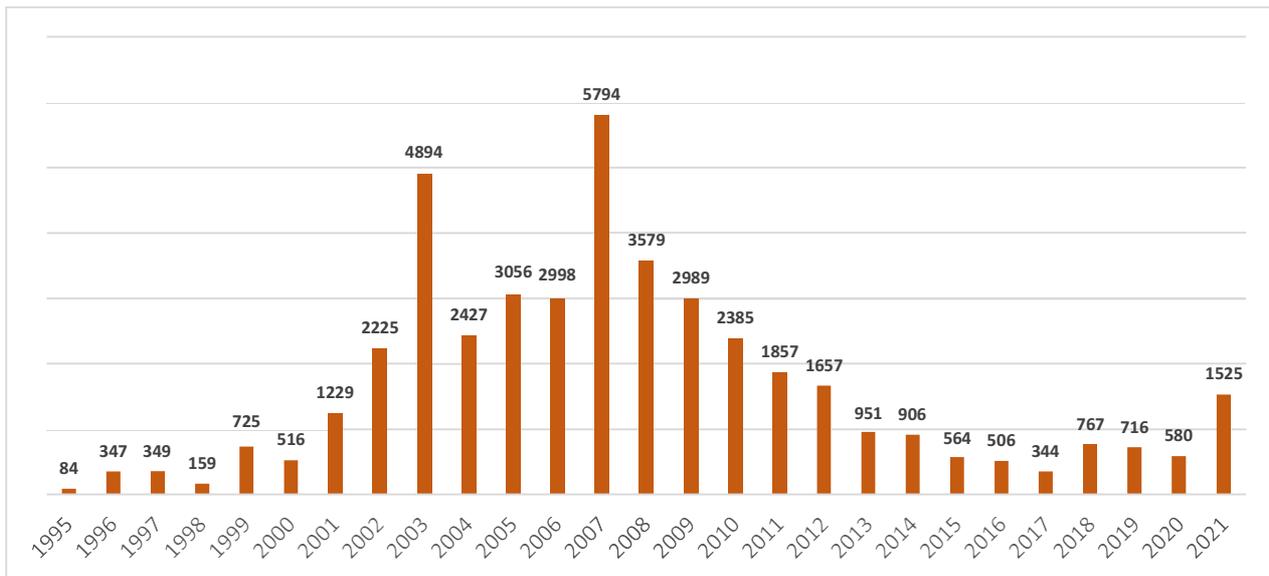
Poor working conditions in rural Brazil are mostly a result of the existence of a significant portion of unregistered wage workers, intermittent jobs in the several stages of the production process, segmentation of the labour market according to various types of employment relations, obstacles to unionization and organization in the workplace, and high turnover.

Labour outsourcing is an old circumstance in Brazil's rural areas, and middlemen – known as 'cats' – are the best illustration. Outsourcing is one of the most evident aspects of the poor conditions of rural labour, usually associated with situations of complete illegality and extreme exploitation such as lack of labour rights and modern slavery.

Outsourced labour is common in Brazil, both in small rural enterprises and in large agribusinesses. According to Labour Courts and the Labour Prosecution Service, companies often outsource their core business in areas such as forestry (charcoal production, afforestation and reforestation), sugarcane plantations, ethanol production, and the cellulose industry. Modern slavery, for example, is still common in the 21st century.

From 1995 to 2021, inspection operations to eradicate slave labour conducted by the Labour Inspection Department (SIT) rescued 55,500 workers from modern slavery – 44,000 or 79% of those workers were rescued in the rural sector. The activities from which most workers were rescued included livestock, forestry (native and planted forests), sugarcane, coffee and soybean.

CHART 12
Rural workers rescued by inspection operations to eradicate slave labour –
SIT/SRTE
Brazil – 1995-2021



Source: MTE. SIT/SRTE
<https://sit.trabalho.gov.br/radar/#escravo>
 Prepared by DIEESE

In addition, the number of work accidents in farming is very high, especially those related to intoxication by pesticides – Fiocruz (Sinitox/Fiocruz/Sinan) records 6,000 such cases every year on average. Recent and substantial growth in the use of pesticides makes this situation even more serious. Another frequent cause of accidents, illnesses and deaths in rural areas is the intensification of the work rhythm caused by piece-rate pay.

Farm workers’ collective bargaining campaigns

Rural workers’ collective bargaining is very complex due to the characteristics of the activities and the rural labour market, such as seasonal production, various forms of payment, high turnover and the large numbers of unregistered workers.

Seasonality, for example, makes bargaining difficult for those who work on the same crop because harvest periods vary in different regions. The various forms of workers’ pay are another characteristic of collective bargaining in rural areas, as they are directly related to the specifics of each crop. Harvest workers may be paid by piece-rate (per box, barrel, arroba, tonne, tree line, block, cubic meter, etc.) or per day, during off-season. In some tasks such as sugarcane cutting, orange and coffee harvesting, payment varies according to production, but there is a daily floor that guarantees workers’ income in case of bad weather or other factors that prevent them from working. In activities such as livestock, fruit cultivation and reforestation, fixed payments prevail but with previously set production targets. These

characteristics make rural collective bargaining very difficult and complex.

The most frequent clauses in rural collective agreements and conventions address topics such as working hours, commuting time,¹² safety equipment, wages and related issues (wage floors, adjustments, piece-rate payment), labour relations (seasonal contracts, proof of payment, leaves of absence), and union relations (union access to workplaces, representatives in the workplace, payment for days not worked as provided for by law, regular yearly wage adjustment, conflict resolution mechanisms).

Despite advances and achievements in some segments of farming//muito melhor activities, wages remain very low. Wage floors barely exceed one Minimum Wage. From 2018 to 2021, the average values negotiated as wage floors were virtually the same. In 2018, it was 1.19 Minimum Wage and in 2021 it was 1.16 Minimum Wage (Table 15).

TABLE 14
Lowest, highest and average wage floor
In multiples of the minimum wage in effect on the yearly adjustment date
Brazil – 2018-2021

Year	Lowest	Highest		Average
2018	1.00	1.78		1.19
2019	1.00	2.16		1.20
2020	0.98	1.98		1.18
2021	0.98	1.39		1.16

Source: DIEESE. SAIS-DIEESE – Wage Information Monitoring System
Prepared by DIEESE

Until 2018, wage floors in farming were close to the national Minimum Wage so farm workers' purchasing power was not reduced, as the latter used to be adjusted above inflation, due to the minimum wage raise policy negotiated between the federal government and Labour Federations. However, the end of that policy in 2019 and the return of inflation, especially in the prices of food and essential utilities (cooking gas, electricity and drinking water), led rural workers' wage floors to lose purchasing power, even though, in some states,¹³ they are higher than the national minimum wage.

Final remarks

Technological and management innovations, combined with Brazil's strategic role in world production of food and bioenergy, have changed the profile of labour in rural areas.

¹² Payment for the time it takes for workers to get to the workplace, when it is considered hard to reach or not served by public transportation.

¹³ Rio de Janeiro, Santa Catarina, São Paulo, Paraná and Rio Grande do Sul.

Employment has declined in all categories in recent years, but farming is still one of the sectors that employ the most in Brazilian economy.

The introduction of technologies in virtually all stages of the production process directly affects farm labour, especially the category of wage workers, as it leads to productivity growth and increasing work rhythm. Technological innovation also requires higher schooling. However, wages are not reflecting higher productivity rates and schooling.

Moreover, technological innovation in rural areas has not been followed by higher formalization of labour relations, as there is a high proportion of rural workers with no legal protection. This study shows that unregistered workers face much worse working conditions than registered ones.

But all rural workers face increasingly poor working conditions, although they are worse for unregistered ones. This situation could be mitigated by strengthening state agencies in charge of regulating labour and combating illegalities. In addition, public policies in the areas of health, housing, education, job creation and income generation, and professional training should be more disseminated in rural areas in order to provide better working and living conditions for workers and their families. Finally, public authorities should systematically and rigorously inspect rural workers' safety and health conditions in order to reduce accidents and illness.

This study provided an assessment of the situation of rural labour in Brazil. It points out a series of challenges to be tackled by authorities and the union movement. These challenges, in turn, require a series of actions from these actors such as resuming the Minimum Wage raise policy, requiring social and labour actions from rural enterprises if they want to be granted public funding, fighting labour illegalities and adopting new strategies to strengthen union organization and collective bargaining.

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