

## 5. MOBILISATION OF A PORTUGUESE TRADE UNION TO ORGANISE AND REPRESENT RIDE-HAILING DRIVERS IN PORTUGAL

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One of the most striking features of the conversation around digital labour platforms in Portugal has been the generalised use of the expression '*Uberização*' ('Uberisation'). It provided a central notion around which public debate and research emerged and, after several years, the Portuguese parliament eventually approved the so-called 'Uber Law' (AR, 2018). Before this, in July 2014, the Uber platform had arrived in Portugal with the Uber Black service, which transported passengers in high-end cars. However, the platform became known throughout the country in December of that year with the generalised UberX service, which attracted strong opposition from taxi employers and drivers for its lack of regulation under Portuguese law.

At the end of 2017, Uber opened a 'tech-centre' in Lisbon, which hired 400 employees to test new services and enhance dialogue with policymakers (Leonardi and Pirina, 2020). This centre provided support for Uber rides in Europe, and served users, drivers and restaurants through the Uber Eats food-delivery application. It also contributed to the improvement of Uber's services, policies and internal processes. According to the company, this centre is a source of innovation in the Uber service. For example, in February 2019, Lisbon was the first European city to have the Jump electric bicycle-sharing service (Tunnel Time, undated), starting with 750 electric bicycles. By the end of 2019, there were 1,750 Jump bicycles circulating in Lisbon, hundreds of which were manufactured in the Portuguese city of Águeda. The company claims that before that, in March 2016, Lisbon and Porto were the first two cities to have electric cars in passenger transport through the Uber Green service. This service ended up being extended to other cities inside and outside Europe. According to the company, there have been more than 2.5 million downloads of the application since the

arrival of the Uber platform in Portugal and the latest company numbers state that there are 8,000 Uber partner drivers in total. In November 2017, the Uber Eats meal-delivery service arrived, starting with 90 ‘partner’ restaurants in Lisbon. Currently, there are more than 2,000 participating restaurants across 19 cities (dn\_insider, 2019).

As ride-hailing platforms expanded in Portugal in the wake of Uber’s success, so did discontent among ride-hailing workers about a number of issues concerning labour and social rights, opening up a new arena in the field of industrial relations in Portugal. This chapter will analyse the unfolding of this ongoing process according to the perceptions of both new and traditional actors in the field, showing how a traditional trade union was able to mobilise and organise ride-hailing drivers to countervail the digital labour platforms’ dominant position.

### **The expanding sector of ride-hailing platforms in Portugal**

Uber is not only the largest ride-hailing platform in Portugal (IMT, 2020a) but also a significant actor in the development of the wider platform economy in the country. Besides providing the word *Uberização* (Uberization) and the working model that became symbolic of the gig economy as a whole, Uber also gave the 2018 regulatory law its nickname that translates as ‘Uber Law’, which took years to be approved by the Portuguese parliament (AR, 2018). The ‘Uber Law’ does not allow the direct recruitment of drivers by digital platforms. Therefore, a category of ride-hailing companies was created to mediate between the platforms and the ride-hailing drivers – namely, the Individual and Paid Transport of Passengers in Uncharacterised Vehicles from an Electronic Platform (TVDE, Transporte Individual e Remunerado de Passageiros em Veículos Descaracterizados a partir de Plataforma Eletrónica) (Amado and Moreira, 2019; IIMT, 2020a, 2020b, 2020c). ‘Uber drivers’ became a term often used to mean all drivers working under all ride-hailing platforms.

Ride-hailing platform services in Portugal started with passenger cars, and then also moved into heavy goods vehicles (a sector with about 70,000 workers) and heavy passenger vehicles (with their own digital platforms for rentals, both for casual use and tourism). Currently, two main passenger transport platforms are operating in Portugal besides Uber: Bolt and FreeNow. In 2021, registration figures show approximately 8,200 TVDE-operating companies, nine registered platforms and 29,543 licensed TVDE drivers performing Uber-like activities

in Portugal. Pre-pandemic numbers indicated that there were more taxi drivers (25,677) than licensed TVDE drivers (23,167) at the national level (IMT, 2020a, 2020b, 2020c). However, this distribution was reversed in large cities. The districts of Lisbon and Porto now have more licensed TVDE drivers than taxi drivers: in 2020, more than half of the former were concentrated in the Lisbon district, where their number (12,436) exceeded that of taxi drivers (9,427) by 32%, and in the Porto district, with 16% more licensed TVDE drivers (3,927) than taxi drivers (3,322) (TSF, 2020).

This case study was carried out from May 2019 to January 2021, and included extensive online searches through the academic literature, both traditional and new media articles, reports, legislation, statutes, trade union documents and eight exploratory interviews (Boavida and Moniz, 2019). This period coincided with the COVID-19 pandemic, which made fieldwork significantly more difficult as many workers were unemployed, and organisations and associations had pressing matters to resolve. We made countless attempts to reach potential interviewees via email and telephone. In the end, personal contacts proved the most effective, as the team has maintained good relationships with the main actors in the sector. We conducted semi-structured interviews in 2020 with three Uber drivers, two trade union leaders, one self-perceived employee and activist in an online movement, one leader of an alternative movement, and one specialist in labour relations.

### **Central labour issues raised in the interviews**

In general, and according to our interviewees, the profiles of Uber drivers present certain characteristics: mostly are men within a wide age range, including older workers up to 60 years of age, and they can be described as 'low-skilled'. Regarding assets, some drivers had micro to small and medium-sized companies, but most of them did not own the car and paid a commission to the car owner. The interviewees perceived themselves as either entrepreneurs or workers. The majority stated that the remuneration was acceptable, but there were significant complaints regarding the commission that they paid the car owner, which could reach as much as 55% of their gross income. The working conditions were also a source of discontent, with long working hours, loss of weekends and the experience of working within opaque algorithmic management mechanisms.

According to our interviewees, the COVID-19 pandemic generated a significant crisis in the sector, leading many workers to call on the traditional Trade

Union of Road and Urban Transport Workers of Portugal for help (STRUP, Sindicato dos Trabalhadores de Transportes Rodoviários e Urbanos de Portugal), as employers sacked them suddenly ahead of mergers and acquisitions among the big platform companies, as well as the expansion of many companies into the rent-a-car business. Nevertheless, the main difficulties reported related to the cost of insurance required to operate a TVDE and the payment of their car loans. Uber's 'uncontactability' was also mentioned, as workers preferred to solve issues directly with the car owner or the operator.

### **Main related unions and associations**

The sector has been facing significant turbulence in recent years, following the arrival of several digital platforms, the enactment of regulation in the TVDE sector, fierce competition and the COVID-19 pandemic. Consequently, any description of the situation can quickly become outdated due to unfolding events. Up until now, there have been two active trade unions in the ride-hailing sector. One of them is much more active – STRUP, which is affiliated with the General Confederation of Portuguese Workers (CGTP, Confederação Geral dos Trabalhadores Portugueses) and the Federation of Trade Unions of Transport and Communication, the main federation of transport trade unions in Portugal (FECTTRANS, Federação dos Sindicatos dos Transportes e Comunicação). The second is the non-affiliated Trade Union of TVDE Drivers (SMTVDE, Sindicato de Motoristas TVDE Portugal). SMTVDE is more recently established and little is known about it. One member of SMTVDE reported that it took many months just for his membership to be approved and that the leaders had neither the time nor the resources to develop the union. Furthermore, an interviewed trade union leader of the confederation General Union of Workers (UGT, União Geral dos Trabalhadores) mentioned that the SMTVDE resulted from an attempt to form a union by a group of drivers who requested help from UGT, a rival to CGTP. At the time, UGT suggested the foundation of a socio-professional association, but the activists decided to create the SMTVDE instead. According to the union leader, the process was similar to the formation of the controversial National Trade Union of Dangerous Materials Drivers (SNMMP, Sindicato Nacional de Motoristas de Materiais Perigosos), which was recently closed down by court order after paralysing the country with controversial strikes in 2018 before the Easter and summer vacations.

Besides the trade unions, there are two business associations concerned with the TVDE sector: the Business Association of Operators of TVDE (AEO-TVDE, Associação Empresarial de Operadores TVDE), which aims to represent the interests of ride-hailing operators with bigger fleets; and the Socio-Professional Association of Partners and Transport Drivers in Uncharacterised Vehicles (APMVD, Associação Sócio-Profissional de Parceiros e Motoristas de Transportes em Veículos Descaracterizados), which represents operators with fewer cars, including drivers using their own vehicles. According to APMVD, the association was formed by drivers and operators in the TVDE sector, following a ‘slow demonstration’ through the streets of Lisbon in January 2020,<sup>1</sup> which led to a decrease in the commission charged by platforms. However, the most visible action of this business association was a list of demands presented to three political parties in parliament – the Greens (PEV, Partido Ecologista Os Verdes), the Communist Party (PCP, Partido Comunista Português) and the Left Block (BE, Bloco de Esquerda). This list of demands laid out APMVD’s main complaints: COVID-19 impacts, driving limitations related to polluting car emissions in some areas, commissions charged by the companies, new legislation and the increase in service costs. According to the APMVD website, drivers and operators have made efforts on social, political and legal fronts to restructure the operation of the TVDE sector, taking into account:

The list of costs associated with the supply chain/provision of product services; the relationship between the minimum value of the drivers’ working hours, the maximum allowed working hours, and the tariff imposed by the platforms; and the harmful effects of the chaos in the TVDE sector, both for the operation and for the metropolitan areas. (APMVD, 2020)

### **Building collective voice: Trade union stances and dynamics**

The roles of the main workers’ confederations are also significant and their different stances should be emphasised. The trade union confederation CGTP has opposed the TVDE sector for a long time, with public expressions of support for

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1. A ‘slow demonstration’ is the driving of cars as slowly as possible without breaking the law, creating slow traffic jams and wider congestion, thereby drawing public attention to the cause.

taxi drivers (Lusa, 2018).<sup>2</sup> According to a trade unionist, only a small proportion of taxi drivers pay union membership fees and they are harder to unionise, as the vast majority are precarious informal workers who drive taxis as ‘gigs’; where ‘gigs’ are understood as income-earning work activities outside of traditional, long-term employer-employee relationships. Therefore, CGTP’s decision to support taxi drivers is based upon its ideological stance opposing digital platforms and the ‘Uberisation’ of the economy, rather than reflecting any significant number of taxi drivers among its membership. CGTP lobbied on behalf of taxi professionals because the government had conflicting positions regarding the passenger transport sector and supported the interests of large multinationals at the forefront of digital platforms in the sector. The confederation’s leader stated that CGTP has nothing against these platforms but maintains that the same laws must apply to TVDE and taxi drivers alike (Lusa, 2018).

According to the interviewed expert in labour relations, the other confederation (UGT) is waiting for a change to the Labour Code, which – regardless of the platforms’ preferences – would grant digital platform workers an employee status. The UGT leader also mentioned that the Trade Union of Transport Workers (SITRA, Sindicato dos Trabalhadores dos Transportes), the Democratic Union of Postal, Telecommunications, Media and Services Workers, (Sindetelco, Sindicato Democrático dos Trabalhadores dos Correios, Telecomunicações, Media e Serviços) and the National Trade Union of Industry and Energy (Sindel, Sindicato Nacional da Indústria e da Energia) – all affiliated with UGT – are not interested in doing systematic work with digital platform workers. According to this trade unionist, UGT is hoping for a central government decision that would strengthen social dialogue.

Overall, STRUP is the one main traditional trade union in the transport sector and, as we have said, it is the most active in defending TVDE drivers. There is no evidence of collective activities from the independent trade union SMTVDE, and the business association APMVD also had few activities in the period of analysis. During the first interview conducted with STRUP’s leader in June 2020, he reported that the union had no TVDE members yet, only a few taxi drivers who worked for cooperatives and private companies. Despite STRUP being interested in TVDE workers, he said it is very difficult to unionise them because they are

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2. The taxi sector fiercely opposes the TVDE service. Taxis are in direct competition with the TVDE service and their associations are significant actors in this field. Taxi drivers and companies have two associations: FPT (Portuguese Taxi Federation, Federação Portuguesa do Táxi), which represents professional taxi-owners, and the employer association ANTRAL (National Association of Light Car Carriers, Associação Nacional dos Transportadores Rodoviários em Automóveis Ligeiros), which represents bigger taxi companies. However, an analysis of taxi associations lies beyond the scope of this study.

categorised as independent workers or entrepreneurs; besides, many do not come from the transport sector and have very diverse origins. As the leader of STRUP mentioned in a fieldwork interview:

We are waiting for the pandemic to have the same effect that it had on the classic taxi workers. We had an immense demand to help taxi drivers here, which led to an increase in union membership. As a result, we have many litigation processes to claim compensation from businesses that dismissed taxi drivers without respecting their labour rights.

According to the STRUP leader, digital platform workers needed organising. When ride-hailing workers had labour problems, he said, they tried to solve them individually with the platform companies instead of using collective bargaining. However, as mentioned, this position changed due to STRUP's engagement with TVDE drivers shortly after our interview. In fact, STRUP engaged in a campaign to mobilise rank-and-file TVDE drivers later in that same summer of 2020. STRUP assembled a working group including TVDE drivers to articulate the main problems and demands of ride-hailing workers, and that working group was very active by traditional union standards. The issues to be addressed were outlined as follows (STRUP, 2020c):

1. A Collective Labour Contract (CCT, Contrato Coletivo de Trabalho) for the sector to be applied to all drivers.
2. Regulation of fees and prices.
3. Limitation of the total number of licences for ride-hailing TVDE vehicles.
4. Review of the age limit for vehicles.
5. Professional training.
6. An end to workers being permanently deleted from the platform if certain criteria are met or rules are broken.
7. Mandatory presence of a platform representative to deal with drivers/operators.
8. Review of the system for evaluation by the users.
9. Review of the dimensions of the vehicle identification badge.
10. Guarantee of conditions for the safe transportation of children.
11. Creation of parking spaces.
12. Elimination of the monopoly held by insurance companies.
13. Ensuring effective enforcement of the law and contractual working hours.
14. Review of the tax deduction for VAT paid on diesel.

According to the STRUP leader, STRUP had sent a dossier to CGTP and FECTRANS, laying out three possible strategies. First, extending the existing taxi drivers' CCT to include ride-hailing drivers. Second, designing a specific CCT for ride-hailing drivers (which was considered an unlikely option, given the power relations in the sector). Third, producing a letter of demands to present to ride-hailing drivers, asking for their support and offering to organise them under the existing taxi drivers' CCT. In addition, STRUP proposed to the government that all ride-hailing drivers should have the same collective labour rights and regulations as taxi drivers.

In November 2020, STRUP delivered the trade union's resulting letter of demands to the relevant governmental entities in person, on the route of a street protest with a high turnout (FECTRANS, 2020a), as well as to several journalists (such as Guedes, 2020). The union went on to support the drivers' demands, by promoting their mobilisation and participating in protests (STRUP, 2020a, 2020b, 2020c, 2020d, 2020e, 2020f, 2020g, 2020h). As a result, STRUP unionists were able to gather support from FECTRANS (2020a), CGTP (2020) and the Portuguese Communist Party (Avante!, 2020).

STRUP has thus made significant steps towards building up and presenting a collective voice. They had a meeting with Uber's representative in Portugal on 22 December 2020 to present their demands. The Socialist Party has been the most active political party on the issue of 'Uberisation', and STRUP made a presentation to the Member of Parliament who was involved in drafting the 2018 'Uber Law'. STRUP also acknowledged that new union members are being recruited from amongst ride-hailing drivers and the platforms' so-called 'partner drivers', albeit at a slow pace as this is a difficult sector for recruitment. It can thus be argued that there is an increasing trend in favour of extending the taxi drivers' Collective Labour Contract to ride-hailing drivers, which would afford the latter more rights.

## **Complaints and challenges**

According to our interviewees, ride-hailing drivers face difficulties regarding inadequate legislation, payments, long working hours, buying and maintaining a ride-hailing car, and, before 2020, difficulties in finding a collective voice due to the diverse self-perceptions among drivers. A unionised ride-hailing driver mentioned that organising a meeting to find common interests is very hard in this sector: 'It is more difficult than for Glovo workers, who meet and speak



regularly. We only meet by chance'. Two other drivers stated that the solution to engaging in collective action would be to go through an independent union. However, the existing independent union has a reputation for weak activity and capacity, which affords it low credibility.

All interviewed drivers also revealed significant discontent with the outcomes of the 2018 'Uber Law'. For example, a driver and a mainstream trade unionist, the UGT leader, both stated that the 'Uber Law' was made in a rush and that it should be revised. In another interview, a former car owner and currently a part-time car renter (paying a daily 55% commission to the car owner) commented that the more regulations policymakers create, the less revenue drivers will retain, limiting their capacity to organise. In this sense, many drivers and commentators argue that there is a societal urgency to review the current 'Uber Law' because ride-hailing activities were not properly understood and accounted for in the original drafting of the legislation. The 'Uber Law' also contributed significantly to a lower volume of registered drivers, as drivers need a licence to register.

## Concluding remarks

Cooperative industrial relations are not yet established in the sector. However, progress is being made regarding collective voice. Representatives from FECTRANS spoke in a parliamentary hearing in May 2021, marking an important recognition of its representativeness in this transport sector. Furthermore, the public presentation of the government's preliminary version of a *Green Book on the future of work* included both Uber and STRUP representatives (MTSS, 2021).<sup>3</sup> Thus, in a short period, the activities of FECTRANS (in particular, its affiliate STRUP) have demonstrated that traditional trade unionism can establish a significant position in a new digital activity dominated by the bargaining power of digital labour platforms. STRUP also presented their letter of demands to the legislators. From the perspective of governance in the sectoral industrial relations system, there is a widely shared perception that either the existing Collective Labour Contracts for taxi drivers could be extended to TVDE drivers, or that a new specific contract could be created just for ride-hailing, given that it implies different operating requirements.

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3. 'Green Book' is the term used for expert reports commissioned by the Portuguese government to assist policy formulation and build consensus among stakeholders.

Addressing a Portuguese parliament hearing to explain the need to change the ‘Uber Law’, the Secretary of State for Mobility gave the example of price-setting for ride-hailing fares, which was enshrined in the law as a free market regime on the assumption that the market would be able to adjust the tariff. However, he is quoted as saying, ‘we have seen a recent pricing strategy that promoted a war of discounts between drivers which sometimes results in tariff-setting practices which may be inconsistent with the service rendered’. Therefore, he went on to say the law should be assessed ‘to ensure that it provides the best answer to the regulatory and inspection challenges that this economic activity requires’ and that ‘present and future control and inspection from the competent entities is efficient, agile and effective’ (Lusa, 2021).