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# Living and working in Brazil

A Huxley Associates guide

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## Our guides

This guide is part of Huxley Associates' dedication to supporting our customers and delivering market-leading recruitment solutions. As one of the world's leading recruitment consultancies we pride ourselves on being a key recruitment partner for professionals and organisations across a range of sectors.

Our series of guides offer best practice advice and an insight into the latest recruitment news, whether you are looking to secure your next job or make your next hire.

## Brazil

Brazil is becoming an increasingly attractive proposition for professionals looking to work in a dynamic and highly vibrant country. In the last five years disposable income has increased significantly, GDP, driven by significant rises in exports and less reliance on imports, has made the country one of the world's best performers, and investment in infrastructure and services, driven in part by global sporting events, has raised the standard of living not just in major cities but also more rural areas.

This guide highlights why there has never been a better time to work in Brazil and features insight from our recruitment consultants, who are working on a daily basis to recruit the best talent for the country's biggest employers.

If you would like to discuss any aspect of this guide or register with Huxley Associates in Brazil then register at: [br.huxley.com](https://br.huxley.com) or email us at: [huxleybr@huxley.com](mailto:huxleybr@huxley.com)

# Why there has never been a better time to move back to Brazil

## The economy

There has never been a better time to consider a career in Brazil. The country has benefited from unprecedented growth over the last two decades, reaching its pinnacle in 2010 with GDP in excess of 7.5%. Although GDP is likely to have slowed somewhat in 2011, analysts still predict between 5% and 7% growth, making Brazil one of the world's most vibrant and rapidly developing economies in the world.

Across the whole of the country there is a strong push towards development and growth, much of which has been driven by the highly lucrative trade partnerships with China. These partnerships are likely to remain over the years ahead and will be the basis on which Brazil continues to make its mark in the global economy.

## Infrastructure & development

In the last five years alone there has been significant investment in infrastructure and a marked shift in how Brazil represents itself in the global marketplace.

Key highlights include:

- The size of the construction industry rose by \$90bn in 2010.
- \$280bn worth of investment in transport, energy and infrastructure projects in 2010.
- Significant growth across the mining, agriculture, manufacturing and service sectors.
- Increased external demand for the abundance of natural resources available in Brazil, with iron ore in particular prized by major manufacturing nations, including China.
- The development of offshore fields has meant Brazil has become self-sufficient in oil, ending decades of dependence on foreign producers. Brazil is now the 9th largest oil producer in the world.

It's this kind of investment and activity that will move Brazil from being the world's 8th largest economy to the 5th largest by 2025, overtaking Italy, France and the United Kingdom.

### Brazil unemployment rate

Percentage of the labour force

2009 rank		GPD at PPP	2050 rank		Projected GPD at PPP
1	US	\$14,256bn	1	China	\$59,475bn
2	China	\$8,888bn	2	India	\$43,180bn
3	Japan	\$4,138bn	3	US	\$37,876bn
4	India	\$3,752bn	4	Brazil	\$9,762bn
5	Germany	\$2,984bn	5	Japan	\$7,664bn
6	Russia	\$2,687bn	6	Russia	\$7,559bn
7	UK	\$2,257bn	7	Mexico	\$6,682bn
8	France	\$2,172bn	8	Indonesia	\$6,205bn
9	Brazil	\$2,020bn	9	Germany	\$5,707bn
10	Italy	\$1,922bn	10	UK	\$5,628bn

## Future opportunities

The opportunities within Brazil are not limited purely to investment. The fact Brazil is now a key player with increased influence in the global marketplace has provided a platform on which the country has begun to play a more confident international role. This has resulted in a number of new advances and opportunities including:

- Winning the right to host both the 2014 FIFA World Cup and the 2016 Olympic Games.** The fact Brazil is staging both tournaments within a two year period is a great opportunity that cannot be under-estimated. Not only are we likely to see investment in infrastructure and tourism, but also significant commitment to improving transport links and housing across the country. There are already plans in place to build a high speed train link joining São Paulo and Rio de Janeiro, which will significantly improve not just international links, by improving airport infrastructure, but also internal links between the country's major hubs.
- The Government's plans to cut taxes on domestically manufactured tablet computers.** As part of a new industrial policy aimed at boosting production of high-end consumer technology goods, manufacturing is likely to be at the forefront of growth in Brazil and help maintain mutually beneficial relationships with countries such as China and India.
- The growth of companies such as Vale,** the world's second biggest mining company and biggest iron ore producer, Petrograd, which is part state owned and made \$20bn (£12.4bn) in 2010, and AmBev, which is a large part of Anheuser-Busch InBev and whose organisation is dominated by Brazilian executives, are all benefiting from the growth of Brazil in the international market and the ability of the country to combat the effects of the global recession.
- Massive growth in exports has resulted in Brazil** being the world's biggest exporter of orange juice, exporting 80% of all orange juice in the world, becoming a major exporter of beef and poultry and doubling its international supply of copper over the next three years, or about 1.5% of world supply.

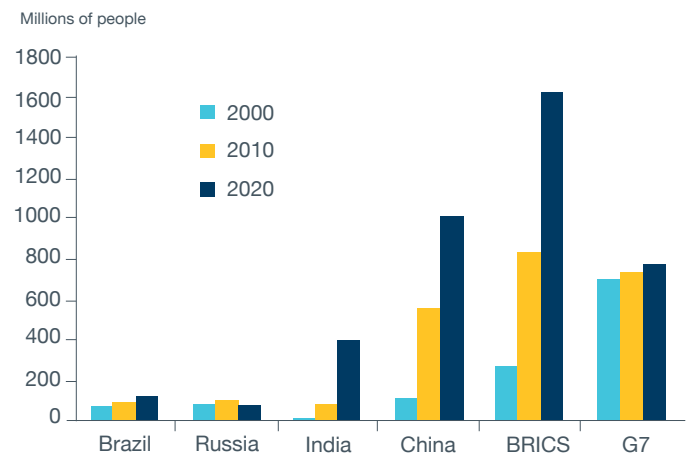
## So what does this mean for the job market?

According to Bloomberg the “*economic boom has given birth to new Brazilian billionaires and a burgeoning middle class*”. In fact the middle classes added another 10 million to their number over the last 5 years, driven in part by strong salaries.

In March 2011 the Labour Ministry acknowledged that finding the talent within Brazil to address the immediate and long-term needs is proving difficult and as a result the country's hiring frenzy is bringing in more workers from abroad. In 2010, Brazilian companies hired 56,006 workers from other countries, up 30% from 2009.

The main industries benefiting from this activity are oil, gas and energy and banking and finance.

### Millions in the BRICS to enter middle class income bracket by 2020

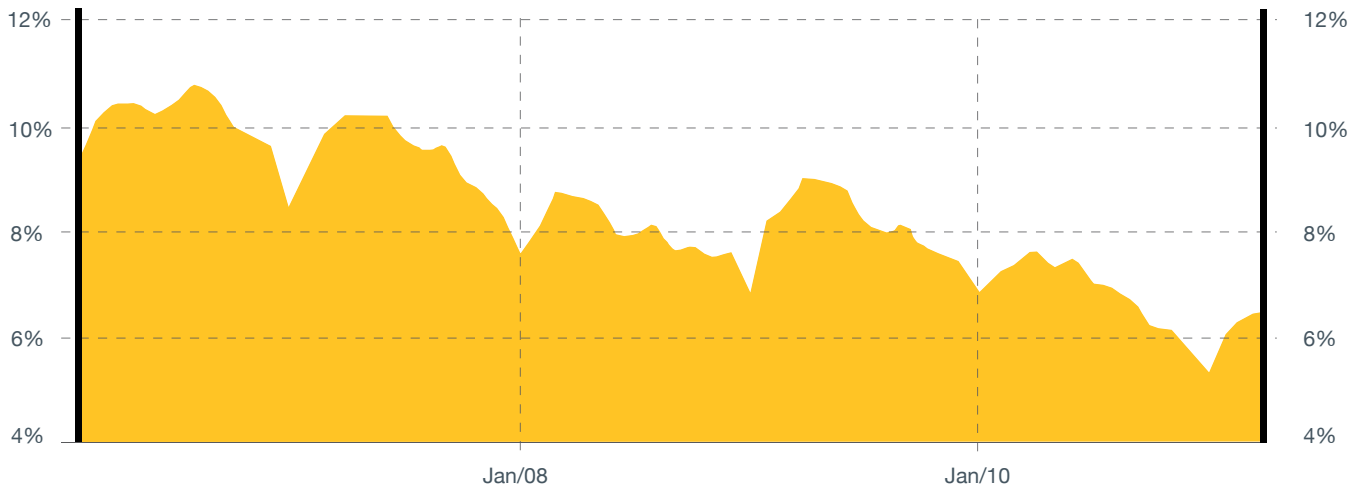


### Poverty headcount ratio (% of population)

<b>21.4%</b>	2009
22.6%	2008
24.2%	2007
26.8%	2006
30.8%	2005

## Brazil unemployment rate

Percentage of the labour force



## Renewed energy

Brazilian energy will be a “*massive investment theme for the next ten years*” according to Carlos de Leon, Manager of the Allianz RCM Brazil Fund. Brazil is a particular hotspot in the global energy industry; it has grown from being an appealing opportunity five years ago to being one of the hottest properties in global energy production.

The \$2bn loan made by the United States to Petrobras has had a massive impact on the oil industry in Brazil and it is this type of activity that has enabled the country to be self-sufficient in oil and a major player in the global energy market.

The Campos Basin and the Santos Basin hold massive reserves of untapped oil and companies like Petrograd, the largest company in Brazil, are focusing not just on extraction but conversion and refinement, making oil one of the country’s most attractive job markets. Projections for job growth in oil and gas are showing an increase of almost 16% over the next ten years.

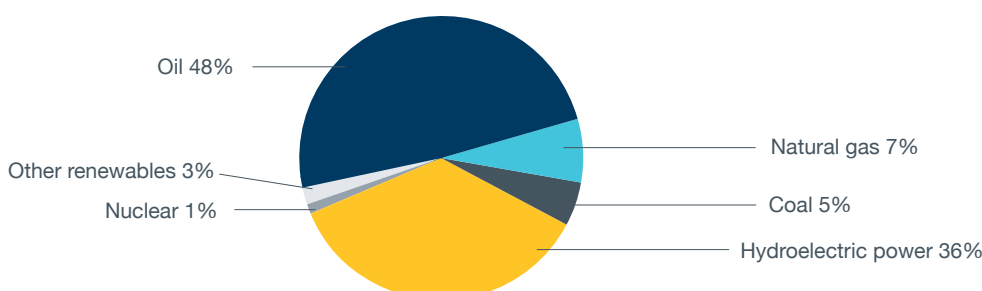
## The surge in banking

There has been a significant surge in banking activity across Latin America; record levels of mergers and acquisitions, a 20% increase in bond assurance and a 67% increase in equity assurance. All of this means banks across Latin America and Brazil in particular are short of top banking talent. And what’s more, the fact that speaking Portuguese is a prerequisite in this market, senior bankers who are fluent in Portuguese are able to be much more demanding with regards to salaries, benefits and bonuses.

The growing demand for investment bankers is having a huge impact on salaries, bonuses and benefits. Salaries for the most senior investment bankers are now twice that of those in China and 15% more than those in the United States.

Add to the fact that most international banks are expanding their operations into São Paulo and we have a banking industry where top talent commands a premium and demand is far outweighing supply.

## Top energy consumption in Brazil



## Why come to Brazil?

As the 5th largest country in the world in terms of land mass, Brazil has over 19 vibrant cities with a population of over 190 million. With the country's stunning natural beauty, good climate and the relaxed style of living it's easy to see why Brazil is attracting a global workforce. As the upcoming hosts of the 2014 FIFA World Cup and the 2016 Olympics, investment in the infrastructure of the country has also increased significantly.

The city of São Paulo is the recognised business centre of Brazil and is the second most populous city in the world, with almost 20 million people. The city has become a hot spot for global investment bankers and, according to PricewaterhouseCoopers, by 2025 São Paulo will be the world's 5th wealthiest city – ranking higher than both Paris and Shanghai.

As one of the largest cosmopolitan cities São Paulo also offers a rich and varied cultural experience from ethnic restaurants and fine shopping through to musical and theatre productions. The city also has a number of parks and 70 museums so there's no shortage of things to do when you are not working!

Although smaller than São Paulo, Rio De Janeiro still boasts an impressive population of over 7 million people. This bustling city epitomises the Brazilian way of life and whilst it is well known for its leisure and entertainment it is also fast becoming a major economic zone. Once the national capital, Rio still remains the location of the headquarters for many private, national and multinational companies, offering a number of opportunities to the local inhabitants.

## People and culture

Friendship and hospitality are strong traits within the Brazilian culture and the Brazilians are well known for their fun-loving nature and upbeat attitude to life. Family and social connections are strongly valued within society and foreigners are usually treated with respect and are welcomed in with generosity. Brazilians have a very strong sense of privacy so if you are invited to an associate's home and you need to leave early you are expected to inform your hosts on arrival. Homes are usually treated as sanctuaries and should therefore be treated with respect. As in any culture there will always be exceptions and you should always be wary of people you have just met who may be particularly over-friendly.

Brazil has a rich and diverse culture where music plays a key role. Styles like choro, samba and bossa nova are generally considered to be genuinely Brazilian. Shopping is also a key attraction within Brazil and it is often recommended that when moving to Brazil you pack lightly and acquire a Brazilian wardrobe on arrival. Brazilians have their own sense of style which makes tourists and foreigners instantly recognisable. Clothes and shoes are generally good quality and reasonably priced, with the exception of foreign brands which are subject to high import duty pushing their cost up.

## Social etiquette in Brazil

When greeting each other cheek-kissing is very common among women and between men and women. Men usually shake hands when first greeting each other. The number of kisses is dependent on the city you are in – in São Paulo it's one kiss, whereas in Rio two kisses are expected, alternating between left and right cheeks.



## Business etiquette in Brazil

Knowledge of the Portuguese language is critical in order to work in Brazil as English is not widespread. This will therefore be a prerequisite for most employers.

It is also important to have a good understanding of the Brazilian business culture where relationships are crucial. Brazilians are very communicative people and generally prefer face-to-face meetings rather than written communication. It is therefore rare for important deals to be conducted by telephone, email or letter. Prior appointments will always be necessary and it is worth remembering that whilst the working day is typically 8.30am – 5.30pm in many cases executives will start later and work into the evening.

Brazilians place a high level of importance on their personal relationships with their business contacts and those entering the business world in Brazil should be prepared to spend time developing these relationships. Similarly the pace of business is much slower than in other cultures, which means deals often take far longer to negotiate.

The Brazilian business world is still heavily dominated by men and few Brazilian women will be found in positions of authority. Expatriate women will be treated politely but will have to work hard to establish their authority and gain the respect of their Brazilian counterparts.

## Working hours, pay and benefits

In Brazil the maximum working hours per week is 44 hours, not exceeding 8 hours per day, with working hours typically between 8am and 6pm.

Salaries vary depending on whether you are employed by a Brazilian company paying in the local currency, Reals, or whether you are employed by an international company. For those paid in local currency the cost of living in Brazil will be high, whereas those who have an international income or earn foreign currency will fare better.

Typical benefit packages include health insurance, life insurance and contributions towards travel and/or childcare costs.

Under the Brazilian labour law employees are entitled to an annual holiday allowance of 30 days.

## Tax

Brazil's tax system means individuals can be taxed up to 27.5% of their income. Anyone working in Brazil on a permanent or a temporary visa together with a work visa will also be subject to this tax.

## Visas and official documentation

For anyone wishing to work in Brazil a work visa will be required. Applications must be made at either the Brazilian consulate or the embassy that has jurisdiction over the country you are relocating from. In order to secure a visa you will be required to have a confirmed employment offer from a Brazilian organisation and proof of subsistence in Brazil – your employer should be able to provide a satisfactory statement.

You will also need to provide a valid passport, police confirmation that you don't have a criminal record and a medical examination certificate. All official documentation must be submitted in Portuguese. Any employee who holds a temporary visa can not change employers without first notifying the authorities as visas are issued based on a specific role and are not transferable.

When you enter Brazil you must obtain an identity card from the national register of foreigners or Registro Nacional de Estrangeiros (RNE).



## Accommodation

Rented accommodation is widely available in Brazil, although expect to pay more to live in the most desirable areas of São Paulo and Rio. Accommodation ranges from apartments to houses complete with gardens and swimming pools. For a one bedroom apartment in Rio you could expect to pay on average 5192 Reals (\$3295 USD) a month, whereas in São Paulo a one bedroom apartment could cost in the region of 700 – 2000 Reals per month (\$444 – 1270 USD).

Long-term apartments and houses are usually unfurnished, whereas short-term lets are often furnished. Condomínios are often the preferred choice of expatriates - fenced housing estates with security staff and cameras. However, for the added feeling of security you will pay a premium.

Most landlords will require a month's rent in advance plus an additional month's rent as a security deposit. In most cases you can also expect to pay a maintenance charge for apartments. Be aware that many Brazilian real estate agents and landlords operate with few legal restrictions. It is advised that prospective tenants hire a company or private lawyer to check over any rental agreement before signing on the dotted line.

## Food and drink

Cuisine varies across regions in Brazil, with many unique dishes of regional origin available in local restaurants. The national dish is feijoada – a heavy dish of hearty stew made of black beans, pork and beef.

Food is reasonably priced within Brazil and you should expect to pay around 450 Reals (\$285 USD) per month for food. Dining in a restaurant costs between 5 – 50 Reals (\$3 –\$31 USD) and a 10% service charge will be added.

The national alcoholic drink is cachaça which is available in most bars across the country. Imported alcohol is very expensive but as many international brands are produced under license in Brazil they are widely available and fairly cheap. Whilst Brazilians like to have a drink it is considered inappropriate to get drunk, even in a pub, unless you are with close friends and everybody else is also drinking. People go to pubs as a social occasion rather than to get drunk.



## Transport

Most cities in Brazil have extensive bus services for getting around the city. Whilst there are rarely bus route maps available and bus stops are largely unmarked most buses will display a sign stating the main destination of the bus.

For travelling further afield there are very few passenger railway lines left, instead long-distance buses have taken their place. Offering a convenient and economical way to travel these buses have a good network and serve cities of over 100,000 people as well as other large towns. It is always worth checking the travel distances and times though as for some lengthy journeys it may be worth flying.

Bus tickets for long-distance trips can be bought from the bus terminals. When buying your ticket, as well as boarding the bus, you may be asked proof of ID. Federal law requires ID to be shown for interstate travel.

Alternatively Brazil has one of the largest road networks in Latin America, with over 1.6 million kilometres of roads. The roads are generally in good condition and Brazilians drive on the right hand side of the road. Driving can be chaotic though and you are advised to keep windows and doors locked whilst driving and stopped at traffic lights.

## Education

If you are considering relocating to Brazil, and have children of school age, local schools and the education system will also be a key consideration. Whilst state schools have been under-funded in the past the Brazilian government now spends a significant proportion of its GDP on education. Having said that only an estimated 60% of those of school age in Brazil are in full time education. With a lack of resources in state schools it is advisable to research the private international schools in your area and factor this into your relocation budget.

In contrast to secondary education, tertiary education in Brazil is thought to be of a similar standard to many advanced countries. There are over 93 universities in Brazil offering over 100 different types of course.

Being able to speak Portuguese is a must for anyone wishing to work in Brazil. However, language courses for foreigners are not widespread outside the big cities. A good alternative would be to befriend language students and exchange lessons with them.

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