

Introduction

Clarify stakeholders as per Uber terms

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- >Analyze the market to balance supply and demand
- >Enquire on Uber & Taxify administration

Clarify stakeholders as per Uber terms

An Uber driver is an individual who drives someone else's car under the Uber platform, they either earn by commission from the owner of the vehicle or the owner takes a vehicle fee & passes the rest to the weekly earnings to the driver.

An Uber partner driver is someone who drives their own vehicle under the Uber platform & this person may have a fleet.

An Uber partner is someone who owns a vehicle or fleet that is operating under the Uber platform.

It is important for one to understand these terms because that's where the differences arise from considering that the people defined here have related & unrelated responsibilities as per the circumstances.

For instance note that the partner driver has it slightly easier than both the Uber driver & Uber partner based on the expenses however on the other band the driver is better off than both the Uber partner driver & the Uber partner because he carries no responsibility with maintenance, service, brake downs & mechanical defects also has no binding investments that commits him/her with Uber hence the reason why there hasn't been a total shut down despite the dismay.

Also note that this way there's no bargaining power for the operators, the platform is not regulated, there is no assembly point it's each man for himself let alone there's more supply than demand.

Inconsistency in policies & mechanisms

One has to look closer to the Uber policies and mechanisms especially the inconsistency compared to other countries, you'll be shocked by the differences let alone they can't be justified.

For instance Uber SA is one of the few countries if not the only country that has the newest cars, many stakeholders whereas all other countries it's just Uber driver partners, our cars are financed, our cars are a better standard, the insurance premiums are expensive but we've the lowest fares compared to all other countries.

You may be wondering why did people join Uber in the 1st place & why aren't they leaving it? I'll let you know why!

Uber misled people & went on to put guarantees & incentives that they eventually removed upon seeing that they enough labour force.

Despite they went on to change a lot of things e.g they used to compensate for a longer dispatch but they removed that.

Initially Uber fares per trip were determined by a combination of distance & time based on the Uber fares per km & per minute however more than a year ago they went on to implement what they call upfront pricing, whereby the rider is charged prior to taking the trip, how it works is that the app estimates the price based on the provided pick up location & the destination now here is the catch if the rider decides to use a longer route or to pass somewhere the price remains the same without taking cognizant that you've spent more time & driven more hence I am sure you see that this comes at the expense of the operator.

One of the worst things that will shock you is Uber's NO TIPPING policy, well in other countries that policy was scrapped right away but with us we operated for years until last year November 2017 they introduced tipping by popular demand of international riders who always complained that there was no provision for inApp tipping like they're used to in their countries but guess what Uber made R2 R5 & R10 the tipping option & then below they put "Optional" that is not optional, now tell me how selfish & greedy is that what do they lose by operators getting tipped let alone this is a customer service industry where we survive with these tips. Also note that in other countries the lowest tipp is 10% of the fare or optional.

As for the incentives, when I started with Uber we were told not to mind the low fares & the reason being was that Uber wanted to attract riders and make them ditch their cars while us the operators we will be reimbursed with guarantees & incentives. You just had to reach a number of trips, hours & ratings to make either the guarantees or incentives & I remember we earned R1000 a week which was later decreased to R750 & then R500 eventually disbanded without being informed but the price remained the same.

Here is another shocker for you, initially Uber fee used to be 20% & in 2015 they increased it to 25% yet the fare prices remained the same but it didn't end there in 2017 they increased their Uber fee whereby they increased the rider's fare for them to earn 4% more making their fee 29% in total.

At which they increased staff, moved offices, renovated & expanded & latest they moved the operators service to a potche office called the Uber green light hub but to tell you despite more stuff the service has become horribly with expect who often can't help you with anything other than minor things. The virtual service is operated by people who are outside the country & don't understand the dynamics here, they often copy & paste irrelevant responses if ever they can't help you they'll tell you that they've escalated your matter & you'll never get a response for that issue.

You can be blocked for expired documents but when you upload them they'll take days to review & approve them for you to be activated & guess what, they dont care about your loss of income for the time you had been blocked unnecessarily.

Corruption is rife on the Uber operations, there is people whom uber takes less than 20% Uber fee which is something that I challenge you to enquire from their records.

Unsustainability based on changes particularly as per costs & expenses

Fuel remains the most critical aspect of the transport business as it determines the profits & we all know how much fuel has increased over the years hence the outcry with Uber operators as we can't take it anymore, the expense is no longer bearable.

Inflation & the Cost of living has gone up & affecting all the aspects of our industry & that impacts a lot on our earnings & expenses.

Unlike other countries where it's each Uber driver per vehicle but here in South Africa each vehicle's have to be split between the Uber driver & the Uber partner & note Uber partner drivers are a minority & remain less than 30% of the total number of drivers.

The other critical added cost despite them having increased their fee so much is that they have outsourced services & we have to carry the cost & this is something that has contributed so much to the operators expenses. They used to provide airtime, inspect vehicles, train drivers, test drivers & help with documentations but in 2016 all these services where outsourced to private companies & we have to pay for them by ourselves.

The repercussions of forever on the road & sleepless nights tendencies by uber drivers resulting in rampant road accidents & the ongoing violence by the traditional meter taxis has seen insurance companies resenting Uber vehicles & those that are taking them are charging exhaubitent premiums e.g on average it now costs R1700 on average to insure an Uber X yet in 2015 it was only R700 making it R1000 more expensive but the Uber fares remains the same.

Recommendations

It is a mere fact that Uber & Taxify are imperialists who's agenda is to enrich themselves at the expense of our livelihood and therefore they cannot be allowed to continue like this & I will with the consent of my colleagues suggest that their prices be regulated & without colluding we would ask for a base fare to be enforced so that it allows fair competition that won't be at the expense of operators like we are seeing right now. Now that these ehailing companies are already operating i would suggest that a moratorium be implemented while the regulator gets to understand the market & it's dynamics because it will be critical to balance supply and demand to determine sustainable earnings for operators & also ensure there is bargaining power to curb & abolish exploitation. These ehailing companies earn by commission & they don't care whether operators are making sustainable earnings or not e.g they will get R290 from R1000 that could have been made by 1 operator of 5 operators.

We have been engaging the Department of roads and Transport to help us erect a structure like a Ehailing Council that would stand as a watchdog of operations & also fill in all the stakeholders including the government as to what's going on & believe me if such a structure was there we wouldn't be in this mess today & the government would be in a better understanding of this business unlike now where they don't have an idea of what is going on hence it's people are exploited under it's watch.

Most importantly I would like this inquiry to obtain statistics from the Uber & Taxify database & believe me the devil is in those statistics, it is only then this explanation will be exposed.

Find how much on average operators make per day & how much time do they spend on the road per day? Find out what fraction is of paid off vehicles? What fraction is of Uber partner drivers? How many drivers are they onboarding on daily bases? How many active drivers & vehicles per city & then national?

These statistics will prove that our outcry is really & these ehailing companies are a seating time bomb & here to bankrupt the people, get them insolvent & blacklisted like it's already happening. To see that people are stuck I challenge the government or whoever to put a relief/rescue program where they'll pay shortfalls for Uber partners who wish to return cars, believe me you'll be shocked by the people who would kill for that rescue despite those that are blacklisted already.

Pricelist suggestions based on the expenses

Uber X

- >R10 base fare
- >R10 per km
- >R1.00 per minute
- >R40 minimum fare

Uber Black

- >R20 base fare
- >R17 per km
- >R1.60 per minute
- >R60 minimum fare

Uber Van

- >R25 base fare
- >R20 per km
- >R2.00 per minute
- >R100 minimum fare