

Uber-fast rollout sees app-taxi service in hiring mode

By <u>Hilary Joffe</u> 17 May 2016

Uber wants to add more than 15,000 new job opportunities for partner-drivers in SA over the next two years as well as lift sharing and other new services, as it builds on the exponential growth it has seen since it launched in Johannesburg, Cape Town and Durban less than three years ago.



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The smartphone app-based service, which has had a big effect on lifestyles and changed attitudes to taking a taxi in suburban SA, has 4,000 partner-drivers in SA. More than half a million South Africans have taken an Uber ride, and in the first half of 2015 recorded two million trips, up from the 2014 total of a million, said Uber's GM for subSaharan Africa, Alon Lits.

Uber into Africa

He was speaking last week on the sidelines of the World Economic Forum on Africa in Kigali, Rwanda. Kenya's capital Nairobi is Uber's fastest growing city globally, and it operates in Mombasa, as well as Nigeria's Abuja and Lagos, with plans to launch in Uganda, Tanzania and Ghana within a month.

Lits says Uber is looking to launch in another six African countries this year and is working to devise innovative solutions to challenges on the continent such as inadequate mapping, and low access to credit cards.

Nairobi is the first city to pilot the option of cash payments for Uber rides, which globally have until now been exclusively credit or debit card-based. Uber is looking at extending the cash option to SA.

Licensing and regulations

While the fact that Uber drivers have not been registered taxi drivers has been one of the factors eliciting protest from the established taxi industry, that is about to change in Gauteng, where local MEC for roads and transport Ismail Vadi will today officially launch the process of regulating Uber partner-drivers as Public Transport Operators. In addition, an amendment to the National Land Transport Act is going through Parliament. It will allow for licensing.

Lits said Uber partner-drivers had been applying for meter taxi licences anyway, but the legislation had lagged developments in the industry and Uber had been engaging with policy makers for more than two years to find an appropriate way to licence the drivers.

An increasing number of existing metered taxi drivers are starting to log on to the Uber app when they have downtime, to see if they and their cars comply with its requirements, and Uber has a big push to add existing taxi drivers to its operation.

Rentals and leasing

A partnership with car hire companies Avis, Hertz and Pace Car Rental, which provide attractive rates to partner-drivers for long-term car rentals, has helped to facilitate this because it enables existing (and new) drivers to comply with Uber's requirement that the cars be 2012 models or newer. Over time, those renting cars can qualify for full maintenance leases once they can demonstrate solid revenues and high driver ratings.

Lits acknowledged that one of the mistakes Uber had made was not engaging with the established taxi industry in SA before its launch, but it is remedying that.

The addition of new partner-drivers through full maintenance leasing is being launched by a partnership with Wesbank, launched in December, which has funding in place, so far, for 1,000 vehicles.

New apps

The "Uber-pool" app which Uber will launch in its South African cities soon will help cut congestion on the roads, Lits said. Parcel delivery app Uber Rush and food delivery app Uber Food will also be launched this year.

Source: Business Day

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