

Uber slammed for cashing in on hostage tragedy

SYDNEY, AUSTRALIA: Uber in damage control after being slammed on social media and elsewhere for Sydney siege price hike...



Sydney's Taronga Zoo, with the city in the background... The recent hostage drama jarred the city, and Uber was slammed and damned for cashing in on the tragedy, in which hostages as well as the hostage-taker were killed. (Image: Public Domain)

Popular web-based taxi firm Uber went into damage control mode on Monday, offering free rides to passengers fleeing an armed siege in Sydney after earlier hiking prices upwards of A\$100 (\$82).

The company said it would also refund fares after initially implementing "surge pricing", which increases rates during peak demand, for passengers exiting Sydney's central business district as police surrounded a cafe where a gunman was holding hostages.

Online news website Mashable earlier reported that in the immediate aftermath of the Sydney siege, Uber began charging passengers four times regular fares with a minimum charge of A\$100 to leave the area.

Citing Uber customers in the area, it said that a trip from the central business district to the airport, a journey that normally costs around A\$60, would cost up to A\$185 as a result of surge pricing.

Cashing in on tragedy

Immediately following the news, Uber tweeted that fares "have increased to encourage more drivers to come online & pick up passengers in the area."

Replies to the tweet, however, were almost uniformly negative.

"What a shameful disgrace," wrote Twitter user Tyson Armstrong, while Lewis Henshall added: "Despicable @Uber_Sydney. Have you never heard of corporate responsibility?"

The company later issued a statement saying it "will be providing free rides out of the CBD to help Sydneysiders get home safely" and that it was "in the process of refunding rides".

Uber defends surge pricing and argues it effectively matches supply with demand by encouraging drivers to move to areas where there are shortfalls.

It has, however, had to concede to cap its surge pricing throughout the United States during national emergencies after reaching an agreement with regulators.

The controversy was the latest in a string of bad press for the company.

It is battling lawsuits in several countries for unfair competition and rising anger over drivers who are not properly vetted.

New Delhi last week banned Uber from operating in the Indian capital after a passenger accused one of its drivers of rape.

Thailand, the Netherlands and Spain have ruled it illegal and Denmark and Norway have filed complaints against the company. Brussels also announced Friday it plans to file a complaint.

Source: AFP, via I-Net Bridge

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