

MEDIANAMA

Ola enters Melbourne, to expand in Queensland, Canberra, Adelaide, and more

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Following its expansion in Australia with [Perth and Sydney](#) last month, cab-hailing company Ola has launched its service in Melbourne. The company said that, it will further continue its rollout in Australia, with future launch cities including Brisbane and the Gold Coast, Canberra, Adelaide, Darwin and Hobart.

The company has received 15,000 registrations from driver partners across Australia till date. Ola is also offering introductory commission rate 7.5% and daily payments in the state. It is unclear, what is the commission rate otherwise in the country.

Remember how it started in India? Cab aggregators including Ola started with low commission price then increased it as they grew operations. This led to a situation where that drivers were are not able to make their ends meet or pay EMIs for their car loans. In February 2017, we saw [the first instance where an Ola driver tried to kill himself](#) by consuming poison in a strike in Bangalore. Ola and Uber encourage drivers to buy cars on loan. Many drivers bought cars as they were lured by higher incomes the companies offered in 2015 and 2016 when the companies were starting their operations. Drivers MediaNama spoke to said that in 2016 and 2015, they had monthly earnings of Rs 85,000 and Rs 70,000. Now their earnings have fallen to around Rs 51,000.

Ola said that it is also developing a number of new initiatives for its customers and driver-partners, which include updates to the Ola app and building its local support team that will help build a better ride share experience.

Ola's Expansion

Ola has been looking [at expansion in](#) other counties such as New Zealand, [Sri Lanka and Bangladesh](#) and has teams in Dhaka and Colombo. This comes after it [raised](#) \$1.1 billion in October last year, led by Tencent Holdings Limited and existing investor SoftBank. SoftBank is also a investor in its rival Uber which [picked up 15% stake in the company](#) for an investment of \$1.25 billion along with other investors. However, its teams in Sri Lanka are in a spot of trouble, though: the company [has already been accused](#) of "commercial espionage" by competitor PickMe.

Global competition

Uber is already present in Australia and other international countries. In Australia, Uber [nearly has 82,000 active drivers](#). Europe-based [Taxify also set up shop there \(Australia\) recently](#). Taxify operates in 20 cities across Australia and New Zealand. Chinese online taxi company Didi picked up a minority stake in Taxify for an undisclosed amount. Didi also has a stake in Ola, and bought Uber's China business for a reported \$1 billion in August 2016.

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