20 August 2025

**Federal Inquiry into Algal Blooms in South Australia**
**(The Senate - Environment and Communications References Committee)**
**Submission from Tourism Industry Council South Australia**

As the peak industry body for tourism in South Australia, Tourism Industry Council South Australia (TiCSA) is responsible for building capabilities, advocating for, and bringing together South Australia's diverse tourism industry to enable a sustainable and growing visitor economy. As an independent membership-based not-for-profit organisation, TiCSA is a vital conduit between industry and government.

TiCSA amplifies the voices of its 1,150+ members to ensure government and other stakeholders understand key industry priorities and the challenges facing South Australia's tourism operators.

The harmful algal bloom (HAB) has become an unprecedented environmental and economic crisis for coastal and regional tourism. TiCSA urges government to consider not just the direct economic impact on tourism, but also the significant positive impact a strong tourism industry has on regional vitality, job creation and community resilience.

## INQUIRY TERMS OF REFERENCE

This submission addresses the inquiry's Terms of Reference relating to:

- economic, social, and community impacts of algal bloom with particular reference to tourism;
- coordination of state and federal government responses, including support, industry engagement and scientific advice;
- support and recovery arrangements for impacted industries and communities including financial support for impacted tourism businesses and research, monitoring and restoration efforts;
- and long-term monitoring, forecasting and prevention strategies.

## TICSA'S ALAGAL BLOOM INDUSTRY SURVEY

- To better understand the impact of the HAB on tourism operators, TiCSA conducted an industry survey in July 2025, receiving more than 100 responses from tourism operators directly impacted - predominantly micro/small businesses located in coastal areas.

- The top three responding business types were accommodation, tours/transport and retail, with the range of business types underscoring the far-reaching financial toll of the HAB.

- Key regions represented in the survey responses included Yorke Peninsula (40%), Fleurieu Peninsula (21%) and Eyre Peninsula (13%), with strong response rates also from Kangaroo Island and metropolitan Adelaide.

**p** 08 8231 3085| **e** info@ticsa.com.au

**TiCSA: Tourism Industry Council South Australia**

5 Pirie Street, Adelaide South Australia 5000
GPO Box 2071, Adelaide South Australia 5001 | **www.ticsa.com.au** | **www.trusttheticksa.com.au**
ABN. 64 992 585 804

## IMPACT ON TOURISM BUSINESSES

### Severe income loss and business downturn

- 99% of the tourism businesses that completed the survey have lost income due to the HAB, with an average downturn of 40% on the same period last year.
- Survey respondents report an average loss per business of $52,000, with 14% experiencing losses of more than $100,000.
- Coastal caravan parks are forecasting losses of $900,000 to $1 million over spring/summer.
- More than 30 towns are experiencing major economic disruption, affecting local businesses beyond the tourism sector.

### Extended forward booking cancellations

- More than half of respondents report cancellations for summer 2025–26, with 45% already receiving cancellations into 2026, including Easter.

### Widespread operational and community strain

- Tourism businesses report staff layoffs, reduced hours, and having to operate without paid employees.
- Tourism operators are experiencing psychological stress and uncertainty, especially in communities still recovering from previous disasters (widespread drought, and bushfires on Kangaroo Island).

## REPUTATIONAL DAMAGE

- Negative or inaccurate media coverage has driven cancellations well beyond directly affected areas.
- Lack of timely, consistent communication from authorities has eroded public confidence.
- TiCSA and the South Australian tourism industry have concerns about the long-term impact if investment is not made in marketing South Australia and counteracting news media in interstate and international markets where frequently updated, accurate information is not available.

## TICSA RECOMMENDATIONS TO FEDERAL GOVERNMENT

- **Emergency Financial Relief:** Expand direct financial support for impacted tourism businesses – building on initial emergency grants of up to $10,000 for impacted marine and coastal tourism operators to provide further tranches of funding with a broader definition of impacted businesses, higher funding amounts and continued support for the duration of the crisis, especially if it extends into traditional peak periods.

- **Crisis Communication:** Support clear information and regular updates for impacted industries, communities and the public that dispel myths and provide reassurance about visiting coastal areas.

- **Scientific Investigation – Investment in Research, Monitoring and Prevention:**
  Provide national leadership on:
  - determining causes, patterns and climate change linkages of the current HAB;
  - understanding how similar natural disasters can be mitigated (or prevented) and better managed through longer term nationwide early warning/monitoring systems and algal bloom disaster response processes;
  - and ensuring long term rehabilitation of the impacted marine environment to ensure resilience against future algal bloom events.

- **Industry Engagement:** Involve local businesses in response and recovery planning and implementation, plus engage with local marine tourism operators to provide real-time environmental intelligence for future early warning and monitoring frameworks.

- **Tourism Recovery Fund:** Provide continued investment in South Australia's public information campaigns – focusing on tourism marketing and effective, tactical promotional activities to rebuild confidence, strengthen South Australia's nature-based tourism reputation and drive visitation to coastal regions and marine based tourism businesses.