



22 Aug, 2025

**RE: Algai Bloom response to the Senate**

**Inquiry into the Algai blooms in South Australia**

I am responding to the Senate in regards to the issue mentioned above, My name is Andrew Mitchell Chief Executive Officer of Safcol Australia Pty Ltd.

Safcol' s Head office is located at Elizabeth South, Adelaide, South Australia. Safcol commenced operations in 1945 when it opened the first South Australian Wholesale Fish Market. We continue to operate this enterprise and are currently located in Mile End SA. We are responsible for the process of Auctioning off on a daily basis some large volumes of Fresh caught Fish from South Australian waters. The fish auctioned are purchased by Wholesalers, Retailers, Restaurants and interstate buyers. We are serviced by all licenced fishers of South Australia and on weekly basis dealing with an average of approximately 75 Professional Fishing businesses (large and small) and would be arguably the largest and most important service provider and vital part of Fishing Industry in South Australia.

The most recent and continuing Algai bloom in SA coastal waters is having a significant effect on both Safcol and our Fishing community with auction prices down by over 25% due to the decrease in consumers demand.

The Auction process works as follows

- Fresh Fish are delivered to our Fish Market on a daily basis around 3 am from various locations around South Australia and at 6 am the auction starts and is wrapped up by 8 to 9 am in time for customers to make their way to their businesses
- Safcol derives its income mostly from a commission of just over 10% of each sale and pays the fishers on weekly basis.
- The commission pays for all operating and staffing costs with the balance of around 2% being profit (prior to the current situation) which would be considered poor by most standards – Safcol sees this operation as its charter of support for the South Australian Fishing community. Most companies would not operate on such a low return
- It is generally considered by the broader fishing community of South Australia that if Safcol exited the Fresh Fish Industry then the industry would likely not survive

As mentioned, as the news of the Algai bloom continues to grow with no apparent solution, it is likely that Fish prices will drop even further thus risking the viability of the SA professional Fishing community and of course Safcol' s involvement. It is highly likely that if we do not see an end to not only the Algai bloom but the messaging around it then many of our Fishermen will be forced into significant hardship and in Safcol' s case we will need to seriously consider walking away from this part of our business.

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This is particularly disappointing considering the quality of the fish we auction off is not in any way effected by the Bloom and has passed each and every test undertaken by Safcol quality team and SARDI. It has also come at a bad time for Safcol as we are half way through building a state of the art new Fish Market facility at West Thebarton in Adelaide with the first stage costs of well over \$10 million. It puts this necessary investment in jeopardy of continuing.

Our view on what needs to be done

Safcol is not a technical expert on Algal blooms, how it started and how to fix it but below our recommendations of what is required.

- Understand how it started and when will it disappear
- How to control it and prevent in future if possible
- Communicate to the General public in a much stronger way that the Fresh Fish caught in SA waters are 100% safe to eat (this applies to our product)
- Provide short term financial support for our Professional Fish suppliers (our Fishermen and their Families) till the problem resolves itself
- Provide Safcol the same short term financial support to assist it in staying open (we have been in a loss situation for the last two months with no likely respite)
- Once the issue is resolved undertake a campaign to win back consumer trust in SA caught Fresh Fish.

#### Summary

Safcol and its Fishing community is hurting and needs help in understanding the Environmental aspects of this issue as well as short term assistance for both Safcol and its Fishing community and finally help in re building consumers faith in our fantastic quality Fresh South Australian Fish

We are happy to provide any information as required and can be contacted on the accompanying information page.

Sincerely

Andrew Mitchell  
Chief Executive Officer  
Safcol Australia Pty Ltd