



DEFENCE FORCE WELFARE ASSOCIATION

19 May 2025

Committee Secretary

Senate Foreign Affairs and Trade References Committee
PO Box 6100
Parliament House
Canberra ACT 2600

By email: fadt.sen@aph.gov.au

Dear Committee Secretary

Inquiry into Compensation and Income Support for Veterans

Thank you for the opportunity to make a submission to the subject inquiry.

About DFWA

The Defence Force Welfare Association (DFWA) is an Australia wide organisation, formed in 1959, for the purpose of promoting and protecting the welfare and interests of serving and former members of the Australian Defence Force and their families.

Our advocacy areas include rehabilitation of injured veterans, compensation for service-related injuries, ADF pay and conditions, retirement and superannuation, improving service delivery, and veteran recognition.

In terms of advocates who act on behalf of veterans for preparation of military compensation and rehabilitation claims, DFWA maintains a small number of volunteers at the State Branch level and shares advocates with other organisations. The bulk of compensation claim inquiries are referred to larger community of practice or RSLs with contracted advocates.

DFWA provides more specialised assistance and information to veterans and advocates where there is interaction between compensation payments, superannuation and taxation. This assistance is provided or supervised by tax practitioners and public accountants. We note that

This mix of advocates, advisory provides a reasonable level of information that supports the core policy areas for which the organisation advocates.

Previous reviews into veteran compensation advocacy

DFWA has contributed to previous reviews, made submissions, appeared at hearings and forums and engaged in one-to-one meetings with various inquiry staff. In the last eight years, this included:

- a. The Foreign Affairs, Defence and Trade References Senate Committee Inquiry into The Constant Battle: *Suicide by Veterans*, - Report tabled in Parliament on 15 August 2017.
- b. The Veterans' Advocacy and Support Services Scoping Study (VASSSS) Report- A Modern Professional Sustainable Service for Australian Veterans and Their Families (2018).



- c. The Productivity Commission into the system of Compensation and Rehabilitation for Veterans - A Better Way to Support Veterans (3 Volume Report – June 2019) conducted by Robert Cornall AO and overlapping with the Productivity Commission inquiry;
- d. The National Commissioner for Defence and Veteran Suicide Prevention (NCDVSP) - Preliminary Interim Report - Interim National Commissioner for Defence and Veteran Suicide Prevention (2021); and
- e. The Royal Commission into Defence and Veteran Suicide
 - (1) Interim Report (Aug 2022).
 - (2) Final Report (Sep 2024).

Submission

The DFWA submission is at attachment 1 and addresses the following terms of reference:

- a. The appropriateness of commercial entities, within and outside Australia, providing advocacy services, including the charging of fees or commissions on statutory entitlement payments.
- b. Representation of veterans at the Veterans' Review Board, including by legal practitioners.
- c. Regulation, training and professional discipline arrangements for advocates.

Thank you again for the invitation to provide a submission. I offer myself and my advisory staff to appear personally, via video conference if appropriate, to answer questions about this submission, or other questions that may be relevant to the inquiry.

Yours sincerely,

Del Gaudry CSC

National President

Defence Force Welfare Association

SUBMISSION TO THE SENATE FINANCE AND PUBLIC ADMINISTRATION COMMITTEE

INQUIRY INTO COMPENSATION AND INCOME SUPPORT FOR VETERANS

TOR (A) The appropriateness of commercial entities, within and outside Australia, providing advocacy services, including the charging of fees or commissions on statutory entitlement payments.

Non-commercial advocates

1. Non-commercial advocates—volunteers and ESO based—are a structural feature of the current veteran support system.
2. In the veteran support system volunteers and ESO advocates have been maintained as the norm to:
 - limit the flow of claims submitted by veteran clients,
 - provide a DVA brand ambassador in every advocate,
 - avoid the requirement to regulate a profession.
3. Conditions on grant funding ensure that the service is non-commercial. For instance, an advocate must not ask or require the veteran to join the Association as a condition. This is often framed as an example of “the integrity of advocates”, rather than limiting liability.
4. The result is there are almost no consequences to being ineffective or cause damages if providing free advocacy or by a volunteer. It is rare that an advocate is sued because of unsatisfactory advocacy.
5. There are many examples of commercial advocates collecting debts of veterans for significant amounts, or veterans lodging claims under the Australian Consumer Law, being scammed by overseas commercial entities.

Commercial advocates

6. Commercial advocates are providing a service that veterans need and the market has provided that service, good or bad.
7. Stories of veterans paying 25% or more of their Permanent Impairment income are much rarer today, but they are still there.
8. At this point in time, commercial advocates are not burdened with regulations related to providing advocacy services. There are no minimum qualification or professional development; or set standards of service; provide a complaints mechanism; risk being struck off the roll; require regulated trust accounts; requirements of being a fit and proper person.
9. Commercial entities have, at least since the rapid increase in providers, a profit motivation to be efficient and more productive than their competitors. They can find clients; the clients do not need to go looking. They understand their brand. Reputable firms and providers need a regulator so that it is a level playing field.
10. DFWA has no issue with commercial providers where they charge transparent reasonable fees, act ethically, are insured, and provide a service with quality controls etc. This type of provider should be

encouraged and supported. Other professions use standard form contracts to create the level playing field.

11. DFWA considers contracting a commercial provider to deliver no-fee advocacy services on behalf of ESOs is a valid model, if properly implemented.
12. The necessary requirement is for increased grant funding to ESOs to provide no fee advocacy and enable funding to pay whether the advocate is salaried, a for-fee provider, or a volunteer.

Overseas entities

13. DFWA is of the view that personal information of current and former members, particularly sensitive medical information should not be allowed to leave Australian datacentres. We acknowledge the difficulty this poses for veterans claiming from overseas.
14. DFWA has long been concerned about overseas based companies being used to reduce the potential liability if sued under consumer laws but are able to use Australian courts to enforce local contracts.

Recommendations

15. DFWA recommends:
 - Veteran Compensation Advocacy Services be regulated.
 - Policy setting to encourage a mix of commercial and non-commercial advocates, subject to the same qualifications and regulations.
 - Free advocacy services through ESOs be properly funded
 - Regulations to prevent veteran personal and service history information being stored or processed overseas

TOR (B) Representation of veterans at the Veterans' Review Board, including by legal practitioners.

16. DFWA is of the view that:
 - Legal practitioners should not be permitted to represent veterans at VRB hearings
 - The interpretation of legal practitioner should include only those who have, or would otherwise have but for stale qualifications, met the academic requirements,

TOR (C) Regulation, training and professional discipline arrangements for advocates.

17. DVA is currently using mechanisms such as refusing to accept paper application submitted by email, unless submitted by a known ESO, as a means of regulating commercial providers. In the end it is the veteran, who is paying for that service who is disadvantaged.
18. Regulation is needed to:
 - Define what constituted veteran advocacy

- Set standards for the industry, such as qualifications and require membership of a relevant professional body
 - Establish a regulator
 - Create offences for non-compliance
 - Give DVA the lawful basis to prevent operators submitting claims of behalf of veterans.
19. DFWA is supportive of the Institute of Veteran Advocates to become a relevant professional body. The Institute should not be used to avoid regulating advocacy services.
20. Other providers who are members of other relevant professional bodies should not be required to become members of the Institute.
21. DFWA is of the view that:
- Veteran Compensation Advocacy Services be regulated
 - A regulator be established with appropriate powers to set standards
 - The Institute of Veteran Advocacy be established as a professional body
 - Other professional bodies should be recognised.