

Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Bill 2024

Additional Disablement Amount – Factsheet

The Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Bill 2024 will give effect to changes recommended in the interim report of the Royal Commission into Defence and Veteran Suicide. At a broad level, the Bill proposes that, from 1 July 2026, the *Veterans' Entitlements Act 1986* (VEA) and the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA) will be closed to new claims and the *Military Rehabilitation and Compensation Act 2004* (MRCA) will apply to all new compensation claims.

To view the exposure draft of the Bill and supporting documents please visit: www.dva.gov.au/about/royal-commission/veterans-legislation-reform-exposure-draft-consultation.

In addition to reducing the number of compensation Acts which apply to veterans and their families from 1 July 2026, the Bill proposes several 'improvements' to the MRCA. One of these is the introduction of the Additional Disablement Amount (ADA).

The ADA is similar to the Extreme Disablement Adjustment (EDA) under the VEA. It is intended as a 'safety net' for veterans who are over pension age and who have a high degree of impairment due to service-caused injuries or illness. The payment is being introduced to ensure continued support for those over pension age once the VEA is closed to new claims.

Subject to passage of the Bill, eligibility for the ADA will be available to veterans who:

- are not in receipt of incapacity payments;
- are not receiving the Special Rate Disability Pension (SRDP) under the MRCA, or the EDA or Special Rate (TPI) of pension under the VEA;
- are pension age or older; and
- have an impairment rating of at least 70 points and a lifestyle rating of at least 6 under the Guide to Determining Impairment and Compensation (GARP M).

The ADA will mirror the EDA rate of payment (currently \$933.20 per fortnight) and will be paid as a periodic payment under the MRCA. The ADA will be subject to the same offsetting arrangements that exist for the SRDP under the MRCA. Payments will be reduced dollar-for-dollar by any disability compensation and/or permanent impairment payment received. A further reduction will occur

based on Commonwealth-funded component of any superannuation being received by the veteran (at a rate of 60 cents in the dollar).

The dependants of deceased veterans who were receiving the ADA will also be entitled to a Gold Card, wholly dependent partner payment, eligible young person payment (if applicable) and access to the MRCA Education and Training Scheme (MRCAETS) following the veteran's death.

How will this affect me?

If you are a veteran who satisfies the relevant criteria under the revised compensation arrangements, you may become eligible for the ADA and associated benefits under the MRCA.

If you are a 'wholly dependent partner' of a deceased veteran after commencement of the arrangements, you will be entitled to compensation under the MRCA (as noted above) in respect of the death of the veteran.

Date of effect?

Ongoing from 1 July 2026.