



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

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# Disability Compensation Payment cessation date – Factsheet

The Disability Compensation Payment (DCP) is a fortnightly benefit paid to veterans under the *Veterans' Entitlements Act 1986* (VEA). The *Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Bill 2024* contains changes which will impact veterans who are receiving DCP as part of a broader proposal to move to a 'single-ongoing Act' model to simplify claims processes. If agreed to by Government, the proposal would result in the VEA and the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA) being closed to new claims and compensation coverage for all veterans provided under the *Military Rehabilitation and Compensation Act 2004* (MRCA) from 1 July 2026, irrespective of when they served or when they were injured or became ill.

At present, when a veteran with VEA eligibility dies whilst in receipt of DCP, any DCP and associated allowances payable to the family are calculated to the end of the final full pay period preceding the veteran's death. This approach differs when compared to compensation payments under the MRCA (including incapacity and permanent impairment payments), which are payable up to the actual date of the veteran's death. Income support pensions under the VEA are also paid to the date of death.

Under reforms set out in the Bill, the method of calculation for DCP and allowances would be aligned with the MRCA to ensure they are payable up to the veteran's date of death, rather than the pay period before their death. This will make DCP consistent with income support and MRCA compensation payments.

### How will this affect me?

When DVA is notified of a veteran's death on or after 1 July 2026, any final DCP instalments will be calculated up to the date of the veteran's death and paid to the estate. This will make the final payment of DCP fairer and more consistent with other DVA payments.

### Who will benefit?

The estates of deceased veterans will receive a larger final instalment of any DCP that the veteran was receiving.

### Date of effect?

Ongoing from 1 July 2026.