

Veteran advocacy regulation Strengthening protections for veterans

Overview

The Australian Government is committed to ensuring high-quality support is available for Australian veterans and families of veterans when they need it. Wellbeing and claims advocacy play a crucial role in ensuring veterans and families of veterans receive informed, accurate and timely advice in relation to lodging claims for compensation or accessing other assistance from the Department of Veterans' Affairs (DVA). Advocacy services are currently provided by ex-service organisations (ESOs), government funded services such as Legal Aid, and various commercial providers including law firms and sector-specific commercial advocacy providers.

For over a century, Ex-Service Organisations (ESO) and other volunteer advocates have provided free, professional, and expert advice to assist Australian veterans and families to access treatment, compensation and other assistance. This legacy continues today and the efforts of this workforce are vital to ensuring Australia's veterans have access to free, high-quality advocacy services when they need them.

Over half of all claims are submitted by individuals themselves, and DVA continues to work to simplify and streamline legislative frameworks, ICT systems, and business processes to make self-lodgement easier. However, many veterans seek the assistance of free-to-the-veteran advocacy services provided by ESOs or choose to pay for advocacy services where they have particular support needs for more complex situations, or indeed simply for convenience.

As highlighted in the recent [Senate Inquiry into Issues Relating to Advocacy Services for Veterans Accessing Compensation and Income Support](#), over the past few years the veteran advocacy sector and workforce has undergone significant change, including the growth of a commercial advocacy sector which charges fees to veterans to assist them with their claims.

The Government is committed to reform to better protect veterans from unscrupulous advocates, while not over-regulating a largely volunteer service, and seeks the views of the veteran and advocacy community to inform the preferred approach.

Reasons for change

The Government is particularly concerned by an increasing prevalence of commissions-based veteran advocacy providers whose practices and business models seek to exploit the military compensation system and claims process to maximise corporate returns, reducing statutory compensation payments to veterans and families of veterans, and undermining the wellbeing of veterans and families of veterans.

On 4 November 2025, the Senate Foreign Affairs, Defence and Trade References Committee Report, [Issues Relating to Advocacy Services for Veterans Accessing Compensation and Income Support](#), was tabled in Parliament.

The Committee found 'the rise of fee-for-service advocacy has highlighted a number of issues within the veterans' advocacy landscape and generated concerns from those in the Australian Defence Force (ADF) and ex-service communities. The report also

highlighted concerns about both the ethical appropriateness of the fee-for-service model as well as the poor behaviours and business practices of fee-for-service providers, which ultimately harm veterans and families of veterans.

The Committee recommended DVA explore potential legislative action to curb harmful and deceptive business practices in the commercial veterans' advocacy sector, including but not limited to the imposition of fee caps (recommendation 1).

The [Government Response](#) to the Committee's Report was tabled in Parliament in December 2025. It agreed or agreed-in-principle to 6 of the Committee's 7 recommendations including agreeing to recommendation 1 regarding potential legislative action to curb harmful and deceptive business practices in the commercial veterans' advocacy sector, including but not limited to the imposition of fee caps.

In addition to the Committee's report, consultation with the ex-service community regarding the establishment of the Institute of Veterans' Advocacy (IVA) as the professional body for veteran advocates also noted, while there appears to be an emerging acceptance of the commercial advocacy sector, a consistent sentiment that commission-based or contingency fee structures are unacceptable, and that Government should protect veterans and their statutory compensation from potentially predatory practices where fees are based on commissions on final payments, or on the number of impairment points determined by DVA.

The Committee Report also noted concerns with offshore advocacy providers, and the 'privacy and data security implications of overseas-based firms and the detrimental, flow-on effects for national security and the personal information of veterans, as well as the additional difficulties a veteran may face in obtaining recourse should a dispute arise'. The Committee recommended DVA investigate solutions to address risks posed by offshore commercial advocacy providers and offshore data handling (recommendation 4). The Government also agreed this recommendation.

[Commercial advocacy sector](#)

The commercial advocacy sector which charges fees to assist veterans with their DVA compensation claims, has a range of fee schedules, corporate structures and service offerings, with fee schedules and practices varying between providers.

Of particular interest to the Government is that commercial advocacy providers set reasonable fees for their services, which are transparent, and known and understood by the veteran.

Fee setting practices that are of concern to the Government include:

- commission-based fees;
- contingency fees based on, among other things, the determined number of impairment points or gold card outcomes; and
- unreasonable contract termination penalties.

[Commission-based fees](#)

Commission-based fees are fees that are set as a proportion or percentage of a veteran's statutory compensation payment. DVA is aware of commission rates as high as 29% being charged by some commercial advocacy providers.

There is a long tradition of, and statutory authority for, veterans' having an inalienable right to their compensation payments. The practice of setting a fee in reference to the quantum of compensation attained is contrary to this intention. Such fees directly and materially diminish the statutory compensation amounts received by veterans to which they are entitled under relevant legislation. DVA is under a statutory obligation to both take a beneficial approach to decision making and assist veterans to lodge claims without any financial cost to them.

Commission-based fees also have the perverse incentive for advocates to overstate a veteran's impairment and/or inflate the number of conditions in a claim and can result in veterans receiving inaccurate information about their impairment and health.

This practice is often accompanied by excessive unmeritorious claiming relying on DVA's statutory obligation to inquire into all claims made, thereby maximising medical testing and report writing revenue (very often for related corporate entities or providers). This practice can be detrimental to a veteran's wellbeing. Unnecessary medical assessments and investigations increase anxiety, expose veterans to radiation and other procedural risks associated with testing, and often result in the need for additional investigation to address false positives and incidental findings. These practices focus on illness and compensation rather than health and wellbeing.

Contingency fees

Contingency fees are fees that are based on the achievement of a particular outcome. Examples include fees that are based on a veteran being assessed at a certain level of impairment or receiving a gold card.

Contingency fees incentivise the advocate to lodge claims and medical reports related to any condition the veteran may have experienced, regardless of whether there is a possible connection to service or whether the condition has resolved and may not be compensable. As a result veterans may have an expectation that certain conditions will be eligible for support even if this is not the case, leading to disappointment and unnecessary appeals.

DVA is legally obligated to investigate and determine all validly lodged claims, even where they are poor quality and/or lack key documentation or detail. As such, low-quality claims clog up the claims processing system, divert resources from other legitimate claim investigations, increase overall claim processing times, and adversely affect veterans with legitimate claims.

Unreasonable termination fees

Unreasonable termination fees are fees that exceed a reasonable payment for work undertaken, in the event a veteran terminates an arrangement with an advocate.

For example, where an advocate delivers a poor-quality experience or sub-standard service, or a veteran simply changes their mind and wants to terminate the arrangement, some advocates charge a fee that is significantly higher than the quantum of work undertaken.

Potential break fees in excess of \$27,000 were reported to the Senate Inquiry, some regardless of the actual work performed (Mr Nicholas Warren, Advocate, Veterans' Advocacy Service, Legal Aid NSW, Proof Committee Hansard, 26 September 2025, p. 40).

Unreasonable termination fees can lock veterans into arrangements with providers that provide sub-standard services, and limit veteran choice. In some cases, veterans have not been made aware of these fees.

Offshore data holding

The Senate Committee noted DVA clients provided sensitive personal information to their advocates and in some instances may disclose sensitive information about Australian military engagements, particularly those DVA clients that are still in service or have only recently transitioned out of the ADF.

Hosting of this information overseas poses potential challenges for the Australian Government to act where illegal conduct is identified, including on breaches of relevant Australian laws in relation to privacy and data security.

Options for reform

The Government is seeking your views on options to address concerning practices in the commercial advocacy sector. The purpose of this reform would be to:

- restrict exploitative fee practices by commercial veteran advocacy providers;
- ban overseas hosting of veteran information by advocates;
- protect veterans from misleading and deceptive conduct, advertising and behaviour; and
- ensure advocates charging fees are properly trained, insured, and conduct themselves ethically.

The Government is keen to ensure that any reforms are not overly burdensome or have any unintended consequences on ex-service organisations or volunteer workers and welcomes stakeholder views on how to strike this balance.

Legislatively prohibit certain contract types, data hosting arrangements and conduct

Certain activities by commercial advocacy providers could be prohibited, including irregular fee practices and unsafe storage of veteran data.

For example, provisions could set out that any advocate entering into an agreement with a veteran or dependant to assist with a claim is prohibited from charging a fee that is dependent on:

- the amount of an entitlement, compensation or benefit (commission-based fee)
- the receipt of an entitlement, compensation or benefit (contingency fee)

As a comparison, contingency-fee practices are already prohibited in the legal sector nationwide (except where related to class actions in Victoria).

Such requirements would not prevent advocates and claimants from having a fee arrangement in place. It could, however, ensure that veterans and dependants know exactly what their fee obligations are before committing to any arrangement with an advocate. It could make explicit the cost being charged for a service veterans are able to receive at no charge.

Advocates could also be prohibited from charging unreasonable fees if the veteran or dependant terminates the arrangement. The provision could state that the termination

fees charged by the advocate must not be unreasonable compared to the amount of work already undertaken by the advocate.

Legislation could also be amended to require advocates to host information about veterans onshore in Australia. This could include but is not necessarily limited to sensitive personal information, information regarding service history and military engagements, and information about claims.

Further, to protect the interests of veterans and the families of veterans, consideration could be given to amending legislation to:

- prohibit certain advertising practices e.g. ‘no win, no fee’
- prohibit misleading and deceptive conduct in relation to advocacy services
- require advocates to provide information in response to notices from DVA, and/or
- require all advocacy work to be undertaken with due care and diligence.

Establishing these arrangements in primary legislation without any enforcement powers puts the onus on veterans to know their consumer rights and take action against any provider that does not comply with the prohibitions.

Your views are also sought on any other actions the Government might consider to address these issues.

Enforcement arrangements

An option to enforce advocate compliance with any new prohibitions is to introduce legislation to empower the Commonwealth to investigate non-compliance and undertake enforcement actions.

Examples of enforcement actions could include:

- infringement notice
- enforceable undertaking
- injunction
- civil penalty
- criminal penalty

This is a high level of enforcement which would require time to implement, and resources to administer the arrangements. This model would put the onus on the Commonwealth to take action to address suspected or proven non-compliance and in the most serious of cases, to work with law enforcement agencies to progress matters to prosecution.

Legislative measures of this nature would operate in addition to the powers that already exist to investigate activities which breaches the *Criminal Code Act 1995* or other legislation designed to prevent fraud or misuse of public monies.

Enforcing penalties of this nature can be complex and require legal action, including prosecution of individuals and organisations.

Mandatory membership of a prescribed body

Professional associations and other similar bodies provide the community with

transparency and confidence regarding the skills and professional standards of its members. These organisations enable consumers to make informed choices regarding the services and providers they engage.

Many industries have professional bodies, and in some sectors the provision of services is dependent on membership with a relevant body (or eligibility to gain membership) such as lawyers, immigration agents and financial advisors.

Advocates who charge a fee or are funded via Building Excellence in Support and Training (BEST) grants could be required to be members of a prescribed organisation.

The prescribed body may be able to take action against members that do not comply with the competency and training standards, code of conduct, other rules and any prohibitions, through sanctions such as cancelling the advocate's membership.

Advocates who do not maintain their relevant membership, or who have their membership cancelled, may not be able to receive BEST funding, charge veterans a fee, or have access to the prescribed bodies' member benefits.

Providers who are already members of an alternative appropriate regulatory body (e.g. lawyers) may not require membership with a new advocate prescribed organisation, as existing professional bodies could be recognised as advocate prescribed organisations/bodies.

The rules and requirements for members of a prescribed organisation, such as a code of conduct, membership fees, and rules on fee setting practices could be approved by the Minister for Veterans' Affairs, to ensure these remain consistent with Government and community expectations. The requirements of membership of such a body could include the sorts of prohibition and requirements discussed above as an alternative to including them all in primary legislation.

Establishing these arrangements could improve the overall performance and competency of professionalised advocacy providers through their compliance with the relevant prescribed body's national standards. This model still enables a range of others, such as family members or friends, to continue to provide advocacy services and lodge claims with DVA on behalf of veterans.

Mandatory membership model

Another approach is to legislate to restrict any advocate who is not a member of a prescribed organisation from engaging with DVA on a veteran's behalf (e.g. lodging claims).

This model could professionalise the veteran advocacy through an 'approved provider' or 'licensing' model that excludes individuals, such as family members, who are not members of a prescribed body from engaging with DVA on a veteran's behalf.

The prescribed body could be responsible for assessing compliance with and taking action to address suspected or proven non-compliance with legislation regarding fees and data holding. The body could take action to address non-compliance through sanctions such as cancelling the advocate's membership, effectively banning them from engaging with DVA on behalf of veterans. Implementing this model would require

resources to administer the arrangements.

Questions for consideration

- What type of charging arrangements and business practices should be in scope for future reform and regulation?
- Are there any other matters or fee practices that should be prohibited/regulated through future reform?
- Are there similar prohibitions and/or legislation in other sectors which provide a good example for how veteran advocacy prohibitions could work?
- What should be the role of any prescribed body and DVA in enforcing adherence to future arrangements?
- What arrangements should be in place for any proposed prescribed body (e.g. minimum governance requirements, board selection processes, management structure)?
- What type of sanctions are appropriate where an advocate breaches the standards set out by Government and/or a prescribed body?
- How do we ensure arrangements are not overly burdensome, or have any unintended consequences on ex-service organisations or volunteer workers?