**Trade registration and licensing summary**

Mandatory Trade Registration and Licensing

**FAQs**

What is mandatory trade registration and licensing?

Mandatory trade registration and licensing is the introduction of

* registration for tradespeople who run a business and subcontract to builders, and
* licensing for people who are employees of builders.

This change will bring Victorian builders into a similar structure to electricians and plumbers.

The first trade that is becoming mandatory is Carpentry.

This is intended to be introduced as of September 2020.

The government has not provided us with a clear indication of how mandatory trade registration and licensing is going to be introduced. We are hoping to have a clearer understanding by June 2020 and we will keep members informed along the way.

What is the difference between registration and licensing?

In Victoria we currently only have builder registration.

Registration is currently needed if a tradesperson (most trades) or builder, carries out work that is worth more than $10,000, including materials and labour, directly for a client.

People interchange the term, but the correct term for what we have currently is registration.

This is about to change, as in September 2020 mandatory trade registration and licensing is being introduced.

A registration will be needed for someone who runs a business, whereas a license will be needed for an employee.

Will trade registration be different from the current registration?

Existing registration for trades working direct for clients will remain. This is currently known as Domestic Builder registration – Limited to Carpentry (DB-L C).

The introduction of trade registration will be a subcontractor registration, needed when a subcontractor works direct for a builder.

So to summarise:

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| Already existing now | When is this needed? |
| Domestic Builder registration – Limited to Carpentry (DB-L C): | Where a carpenter carries out work that is worth more than $10,000, including materials and labour, directly for a client.  (A carpenter can also subcontract to builders with this registration). |
| Coming in 2020 |  |
| Trade registration-Carpenter | Where a carpenter runs their own business and subcontracts to builders |
| Employee licensing | Where an employee works for a carpenter that is registered (details about this are still unclear). |

What can I do now to prepare myself for the future?

Master Builders is currently of the understanding that the Domestic Builder registration – limited to Carpentry (DB-L C) registration will sit above the new trade registration and licensing. This is very likely to be the case, but the government has not yet 100% confirmed this.

A DB-L C will be able to work for a client and a builder.

It is our recommendation that carpenters start the process now of gaining their DB-L C.

Is there a course that Master Builders recommends I complete before applying?

Master Builders have created a short course that meets the current prescribed qualification for the DB-L C category, this short course is ‘Trade Registration (domestic)’.

It is a 5-day course and focuses on contracts, permits and estimating which are the key areas of knowledge needed for trade registration.

Can Master Builders help me in applying for Trade Registration and/or licensing?

Absolutely, Master Builders is running awareness sessions to assist members in the process.

These sessions are free to members and nonmembers.

Other companies are running a 12-week carpentry registration program, do you offer anything like that?

Absolutely, Master Builders runs an 8-step program to assist members in gaining registration. This program will assist you in preparing the application, provide you with practice study material and exam preparation.

How can I contribute to the Consultation paper the Master Builders is writing?

If you would like to be more involved in contributing to the paper you can contact Kevin via email [policy@mbav.com.au](mailto:policy@mbav.com.au)