

Media Release

Hon Jacinta Allan MP
Premier



Tuesday, 8 April 2025

CUTTING THE COST OF INSULATION AND SLASHING ENERGY BILLS

The Allan Labor Government is cutting the cost of installing insulation in Victorian homes, which will help families slash their energy bills by around \$400 a year.

Premier Jacinta Allan and Minister for Energy and Resources Lily D'Ambrosio today announced that from early 2026, Victorians can access discounts on ceiling insulation through the Victorian Energy Upgrades (VEU) program.

The VEU discount will halve the average ceiling insulation install costs of \$3,000 to \$1,500, based on current certificate prices.

Almost 60 percent of homes in Victoria either have no ceiling insulation or are under-insulated. These households are missing energy bill savings of more than \$400 per year on average.

The estimated 200,000 households with no insulation will be eligible for the first stage of the discount, with those wanting to top-up becoming eligible later.

New safety and quality standards for installation were also announced – to prioritise safety above all.

The program will include an insulation safety and quality assurance regime including audits and oversight requirements. This will make sure that only high-quality products are used – including Victorian-made insulation, and well-trained installers.

Solar Victoria will work with industry, unions, training organisations and safety regulators on the implementation, with consultation kicking off today. Solar Victoria will also work with the Energy Efficiency Council to train, certify and expand the insulation installer workforce.

To date, the VEU program has helped more than 170,000 businesses and 2.4 million households upgrade their appliances and equipment, slashing more than \$440 million dollars off energy bills. The addition of insulation will help reduce emissions, support local manufacturing, and improve the energy efficiency of homes.

Insulation works by acting as a barrier to heat flow, making homes more comfortable year-round, reducing energy consumption, and lowering heating and cooling costs.

Quotes attributable to Premier Jacinta Allan

“Victorians are doing it tough right now – this will help families by halving the cost of insulation, cutting their energy bills by \$400 every year and making their homes more comfortable all year round.”

Quotes attributable to Minister for Energy and Resources Lily D'Ambrosio

“We’re making sure installations are done safely and to the highest standard.”

“We’ve helped 2.4 million Victorian households save on their energy bills with the VEU – they’re now using less energy which drives down everyone’s power bills.”

Quote attributable to Member for Northcote Kat Theophanous

“This is a great opportunity for Victorians to make their homes more energy efficient, more liveable and save on energy costs.”