

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 504-505

Topic: Coffee Machines

Written: 17 June 2013

Senator BUSHBY asked:

504. Has the department/agency purchased coffee machines for staff use? If yes, provide a list that includes the type of coffee machine, the cost, the number purchased, and any ongoing costs, such as the purchase of coffee/coffee pods and when the machine was purchased.
- a. Why were the coffee machines purchased?
 - b. Has there been a noticeable difference in staff productivity since the coffee machines were purchased?
 - I. Are staff leaving the office premises less during business hours as a result?
 - c. Where did the funding for the coffee machines come from?
 - d. Who has access to the machines?
 - e. Who is responsible for the maintenance of the coffee machines?
 - I. How much was spent on maintenance in this financial year to date? Provide a list of what maintenance has been undertaken.
 - II. Where does the funding for maintenance come from?
 - f. What are the ongoing costs of the coffee machine, such as the cost of coffee?
505. Does the department/agency rent coffee machines for staff use? If yes, provide a list that includes the type of coffee machine, the cost, the number rented, and any ongoing costs such as purchase of coffee /coffee pods and when the machine was rented.
- a. Why are the coffee machines rented?
 - b. Has there been a noticeable difference in staff productivity since coffee machines were rented?
 - I. Are staff leaving the office premises less during business hours as a result?
 - c. Where does the funding for the coffee machines come from?
 - d. Who has access to the machines?
 - e. Who is responsible for the maintenance of the coffee machines?
 - I. How much was spent on maintenance in this financial year to date. Provide a list of what maintenance has been undertaken.
 - II. Where does the funding for maintenance come from?
 - f. What are the ongoing costs of the coffee machine, such as the cost of coffee?

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Answer:

504. Coffee machines have been purchased for staff usage and the operating cost to ASIC is estimated at \$4.51 per person per month. Costs, including the initial purchase, are detailed by site in the table below:

ASIC Location	Current coffee machine installed (make / model and initial purchase cost (ex GST))	Total estimated costs per site/per year	Purchase date
Sydney	2 x Schaerer Vito Purchase cost: \$13,693.00 each Total cost: \$27,278.00	\$44,989.17 Coffee beans, hot chocolate, milk, cleaning materials.	May 2010
Sydney (small machine)	1 x DeLonghi Lattissima Total Cost: \$544.55	\$250.00 Coffee Pods and Milk.	March 2012
Melbourne	1 x Schaerer Celebration Purchase cost: \$16,054.50	\$ 32,318.00 Coffee beans, hot chocolate, milk, cleaning materials	Jan 2013
Traralgon	1 x Schaerer Vito Purchase cost: \$13,495.45	\$ 49,447.42 Coffee beans, hot chocolate, milk, cleaning materials.	July 2010
Brisbane	1 x De Jong Duke Essence Purchase cost: \$10,512.26	\$ 14,134.02 Coffee beans, hot chocolate, milk, cleaning materials .	May 2011
Adelaide	1 x Jura X7S Purchased cost: \$11,500.00	\$ 15,735.81 coffee beans, hot chocolate, milk, cleaning materials	Oct 2008
Perth	1 x Jura X9 Purchased cost: \$7,397.50	\$ 12,737.71 Coffee beans, hot chocolate, milk, cleaning materials	May 2009

- a. Coffee machines were purchased to encourage staff interaction across business units within the office environment. Coffee machines are generally located in the central

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breakout space to promote this interaction. This approach has been employed by a number of other Commonwealth Agencies and is common in the private sector.

- b. Anecdotal evidence suggests that leaving the premises to purchase coffee from a cafe or coffee cart adds 15 minutes to a coffee break.

In addition, ASIC staff use the opportunity to hold informal meetings while collecting their coffee and the integrity of information can be better managed when these meetings are held within the secure perimeter of the ASIC Tenancy.

- I. Whilst this is not monitored, usage of the coffee machines would suggest that staff are leaving the office premises less during business hours for this purpose.
- c. Coffee machines are assets and as such were funded from ASIC's capital budget.
- d. All ASIC staff have access to the coffee machines.
- e. General maintenance of the machines, including re-stocking and cleaning is managed by the local ASIC Property and Business Services team. Breakdown maintenance for machines is provided by the supplier of the machines. In larger offices, daily cleaning is absorbed within the Tenancy cleaning contract.
 - II. This financial year to date (31 May 2013), ASIC has spent \$20,102.91 on maintenance (ex GST).
 - III. All maintenance costs are funded from ASIC's operating budget.
- f. Ongoing costs are \$169,611.71 (ex GST) per annum. However from 15 April 2013, ASIC instituted a charge of \$1 per cup for coffee from the Espresso Machines. This charge was calculated to cover all ongoing consumable costs and maintenance.

505. ASIC does not rent any coffee machines for staff usage.