

Standard Operating Policy and Procedure		Freight Dispatch and Receivable Policy	
Approved by		Department	
Date		Revision Due	

Introduction

Freight sent or received by TSG can travel short distances locally or be shipped worldwide over a longer distance, hence the importance of this freight policy. A pallet sent locally in some cases, will be shrink wrapped and no other packaging means used to secure the stock to the pallet. This is not going to be secure enough when sending stock on a longer journey Australia wide/worldwide, an extra metal strap might be used alongside the shrink wrap.

The need to package goods correctly is of great importance for the following reasons:

- Can be safely lifted on and off transport vehicles,
- Can withstand road transport over long distances and rough terrain,
- Minimises the risk of injury to the personnel receiving or sending the freight,
- Minimises the damage to the stock being freighted,
- Minimises the damage to other freight items being shipped around the stock,
- Minimises the risk to the general public and other road vehicles.

This policy covers the correct process in shipping freight (cartons, pallets, shipping containers) to and from destination within Australia as well as worldwide ports. It is the consignor's responsibility to comply with this policy and to follow all correct legal standards in shipping within Australia and worldwide deliveries.

Purpose

The purpose of this document is to provide the correct duty of care procedure required to comply with TSG standards and also the Australian Occupational Safety and Health Act.

Aim

The aim of this freight policy and procedure is to:

- Protect our staff, environment, contractors and members of the public from the risk of accident and incidents occurring as a result of non-compliance to TSG Despatch and Receivable Policy and follow the existing Australian standards, legislation and guidelines,
- Ensure that all staff of TSG and its suppliers comply with all transport laws within Australia and worldwide legislations,
- Take all steps to address, invoice and process the correct paperwork required by TSG and its relevant suppliers. In turn this also reduces the delay in means of payment of invoices and delivery time, and delivery disputes will also be avoided.

Scope

The scope of this document covers all freight to TSG and also all stock sent from TSG and/or its suppliers. It is to be read and followed by suppliers, creditors, transport companies and TSG employees, especially members that are directly involved in packaging and shipping goods.

Principles

Central to this document is the acceptance of the accountability of all parties in managing risk and the demonstration of a high level of duty of care in accordance with chain of responsibility legislation.

Training

All personnel shall be trained in the process and procedure of this document, especially people with direct contact with:

- Consignment and receivable of freight,
- Loaders and packers of freight,
- Transport drivers, heavy vehicles, ships, rail and any other vehicle used to transport an item,
- Supervisors and managers within the areas required.

Off Site Stock Inspection and Receiving

In cases of product/items being shipped direct to a supplier, the correct freight inspection process must still be followed with the checking off of vendor paperwork, quality of the physical item and processing on delivery dockets/invoices. If any freight in or out does not comply with the TSG requirements, or the freight is not properly prepared for transport, the consignor remains responsible for the consequences of improperly prepared freight.

Documentation

Shipping documentation and delivery dockets must be securely attached to the outside of all cartons and pallets within a weather proof document sleeve. In the case of shipping containers, documents should be clearly identified within the centre of the container doors, also within a weather proof envelope. Where a windowed envelope is used, the delivery address must be visible along with contact name and number. Where cartons are transported, duplicate copies of shipping documentation, delivery dockets/invoices should be also placed inside the package in the event the external documents are removed or misplaced.

Each purchase order must be packaged separately and clearly identified.

Delivery Docket

The following information must be shown on all delivery dockets:

- Purchase order number,
- Type and number of packages/cartons/pallets,
- Full description, quantity and exact content of each package/pallet,
- Back order details (code/description/quantity/ETA),
- Weight (kg) and also dimensions.

If equipment has to be shipped in more than one delivery, then the delivery document must be sent with the first shipment, clearly showing that there are still items outstanding (product codes/description/quantity and ETA on the products).

Invoice

Deliveries that are not accompanied with a delivery docket should then have an invoice attached. All invoices are to have the following information:

- Company name,
- Address,
- Contact person,
- Purchase order number,
- Pricing excluding GST, GST amount and total amount including GST,

- Stock codes, description of goods and quantities,
- Back orders outstanding,
- Banking details.

Package Identification

All packaging that is dispatched as part of a purchase order must be marked in a clear legible manner. To avoid confusion, all previous markings/addresses/references must be removed or covered. All packages in boxes/crates/pallets must be clearly marked in legible English on at least two sides of any item. This information must include the following:

- Purchase order number,
- "Ship to" address,
- Suppliers name,
- Customer (receiver/personal) name and phone number,
- Item description,
- Case/box/package number (example one of four),
- Dimension: length x width x height,
- Weight,
- Dangerous goods classification (if applicable).

A completed "Freight Preparation Checklist" shall be attached to each unit of freight.

Fragile or heavy items must be clearly marked or labelled "Fragile" or "Heavy" or "Handle with Care" for ease of handling.

Please note that all markings shall be waterproof, fade resistant, and durable and resistant to all harsh conditions.

Identification of Kits

Items that are a part of a kit must have a comprehensive list identifying part numbers, descriptions and bar codes of each part within the kit.

Packing

The supply of items for the purchase order is to be protected and marked to make sure all the following is obeyed:

- All packages must be capable of withstanding road/rail/sea/air transport over long distances and rough terrain,
- Packaging must be capable of being moved multiple times, unloaded and reloaded throughout metropolitan and rural areas,
- All packages must be capable of being safely lifted on and off transport without rolling, tipping, or sliding around,
- Packaging methods used must ensure safe delivery of products to the site,
- Take in to account the weight and size limits of cargo that can be transported to sites. (This could vary because of road load weight limits and loading and unloading equipment available),
- No employee or contractor is permitted to manually handle an item that may affect his or her health or safety. After a JSA and/or TTTC, any package deemed unable to be handled by one person, must be identified with correct two-person lift logo or packaging should be suitable for lifting with crane or forklift,
- For all palletised goods, strong and durable pallets are required for the access and safe lifting with forklift and/or cranes. Where multiple items are packaged on the one pallet, heavy items must be packed on the bottom and secured using strong plastic strapping or metal straps and also shrink wrapped in a way to waterproof the purchase order,
- Securing straps are to be secured so there is no abrasion or other damage to the purchased material or items,

- Consignment of multiple packages wherever possible, must be either placed in a secure cage or palletised for ease of handling.

Freight Containers

Containerised items must be blocked, bracketed and/or bolted to prevent movement within the container. Also for security, all containers being shipped should be security locked.

Air Shipments

Items that are air transported must be packed to acceptable airline industry standards and in a way to fully protect purchase items, but still minimise total weight of shipping for affordability.

Palletised Items

It is preferred that pallets are non-returnable and are preferably hardwood or hardened plastic. All palletised items will have a SWL (Safe Work Load) clearly labelled on all pallets.

Pallets are to be used for items that:

- Can't be handled manually by one person and be designed to be lifted by a forklift,
- Have dimensions that allow stable loading on the pallet,
- Do not exceed weight limit that the pallet is unable to carry.

Palletised items must be secured on the pallet to prevent movement. Strapping is the requested means of securing items giving them no chance of falling off the pallet. Loads must not over hang the edge of the pallet. Where timber is used, either internally or externally, it must be free of bark and insect infestation.

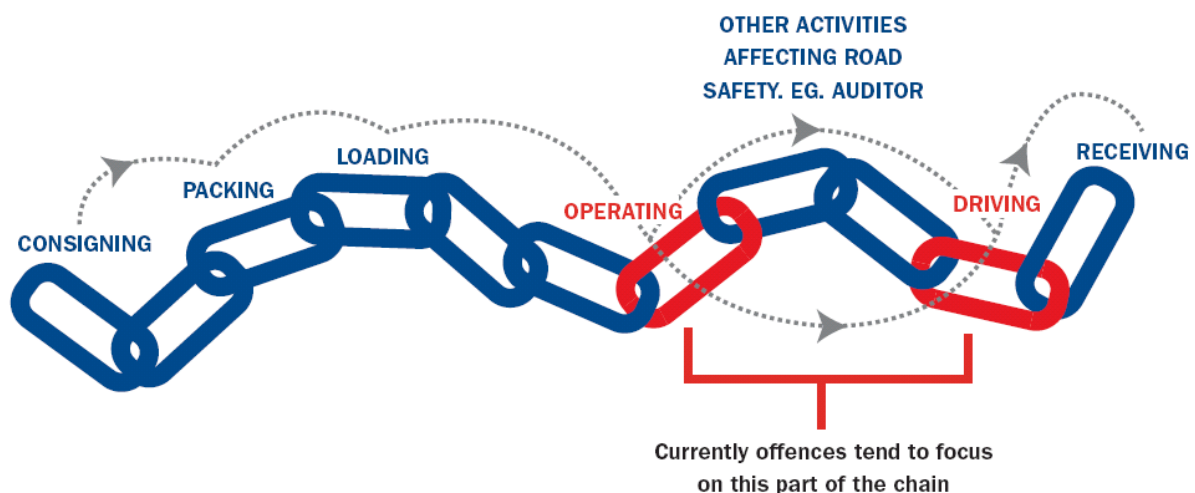
Special Handling Instructions

Packages must be marked with "Right Side Up", "Keep Dry", "Handle with Care" and other markings in English with the appropriate standard symbols to prevent damage and or injury. All lifting and slinging requirements must be clearly marked on all goods if required, this includes location of any lifting lugs and their rated weight.

Chain of Responsibility

Chain of responsibility (COR) is legislation in place, or pending, in all Australian states and territories.

Amongst other aims, the COR legislation aims to improve road safety and minimise negative impact on the environment, road infrastructure and traffic management associated with breaches of heavy vehicle road laws. By recognising the parties within the chain and making these parties responsible for their actions, the COR legislation aims to encourage "effective and efficient compliance with heavy vehicle road transport law".



If a person plays a role in the transport of goods (or passengers) by road, then they are part of the "chain of responsibility" (COR).

Control = Responsibility = Legal Liability

Under the COR laws, all parties with some control in the transport chain, now have legal responsibilities to ensure compliance with relevant heavy vehicle road laws, including compliance with mass, dimension and load restraint obligations. This includes people involved in consigning, loading, packing and receiving freight (or managing those activities), as well as drivers of those vehicles (including, for example, in relation to speeding and fatigue management).

What are the primary reasons for 'chain of responsibility' legislation?

To improve road safety for drivers of transport vehicles and members of the general public – that includes you, me and our families and friends. To limit the number and severity of heavy vehicle accidents and in doing so reduce fatalities, the cost of damaged goods and traffic congestion caused by these accidents.

How does the legislation attempt to do this?

- By checking that load weights are accurate and comply with safe limits set by legislation,
- By checking that loads are adequately restrained and comply with safe limits set by legislation,
- By educating all members of the supply chain of the legal requirements for road transport and having responsibility for checking the observance of these regulations shared by all supply chain levels.

Who has an element of responsibility in this chain?

- Consignors - those who commission the carriage of a load by road,
- Packers - those who place goods in packages, containers or on pallets transported by road,
- Loaders - those who place or restrain the load on a heavy vehicle,
- Drivers - those who physically drive a heavy vehicle,

- Operators and schedulers - those who operate the business that controls the use of a heavy vehicle,
- Receivers - those who pay for the goods or take possession of the load,
- Employers - or managers of a business may also be personally liable for breaches by an employee.

Notes for Management

- Safety is paramount (think safe, be safe),
- Legislation dictates that by not complying, you could be found legally liable for infringements and as such, the cost of non-compliance will far outweigh the cost of compliance. You are as responsible by your inaction as you are by your action,
- Everyone involved in road transport must operate within the legal guidelines,
- You cannot assume your suppliers and customers are - ask questions to find out,
- This will require cooperation and communication along the chain to ensure your and their policies and procedures ensure compliance,
- Need to demonstrate you are taking reasonable steps to prevent an infringement from occurring,
- Notes for consignors and receivers,

- Need to ensure the load is secure and complies with weight and dimension regulations,
- Get information from your customers and suppliers about their systems in place to ensure compliance to regulations.

Notes for Loaders and Packers

- Need to ensure the dimensions and weights comply with road laws,
- Need to ensure the load is secure. Loaders and packers have direct 'on road' part in the chain of responsibility.

Notes for Drivers

- Same duties as before introduction of chain of responsibility legislation. Duties have not diminished,
- Check the load is secure and weight/dimension requirements are adhered to,
- Responsible for the maintenance of the vehicle.