152 - L

Vancouver B.C., August 8th.,1960.

Mr.H.Tyson,
Superintendent, B.C.C.S.,
Victoria B.C.

B.C.C.S. Cocktail Lounges & Bar Receipts.

With reference to your file 14118 of the 4th. instant and attached draft of proposed Circular to Pursers and Chief Stewards, in re adjustment of cashregister errors.

At present, Circular in question appears to be quite satisfactory.

Travelling Auditor.

CANADIAN PACIFIC RAILWAY COMPANY

AUDITOR OF AGENCIES

Vancouver 2, B.C.

AUDIT STATEMENT

.....

.....

.....

At an Audit of the LAND DEPARTMENT your Contract No.....

Covering.....

Lots..... Block..... D.L.....

stands as under on.....Total Amount of Contract $.....

Balance of Principal unpaid as per Audit Statement sent..... $.....

PAYMENTS AND CREDITS RECEIVED SINCE LAST AUDIT:

DATE	PRINCIPAL	INTEREST	TOTAL	DATE	PRINCIPAL	INTEREST	TOTAL
Balance of Principal Unpaid		Plus Interest from		Balance of Principal Unpaid		Plus Interest from	

Will you kindly verify the correctness of the above payments made and if any error found, return promptly in enclosed envelope with full particulars. If statement is found to be correct to it will not be necessary to return same.

Yours truly,

TRAVELLING AUDITOR

ALL CHEQUES SHOULD BE MADE PAYABLE TO ORDER OF CANADIAN PACIFIC RAILWAY COMPANY AND REMITTED TO LAND AGENT, VANCOUVER 2, B.C.

FORM 102A PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE - 14118 -

Victoria, B.C., August 4th.,1960. -e.

H.C. Letch, Esq.,
Travelling Auditor,
Vancouver,B.C.

Reference your discussion with Mr. T. Aird, Assistant Catering Superintendent on July 25th regarding proper procedure for adjusting errors made in the cash register.

You will find attached proof circular which will be sent to Pursers and Chief Stewards regarding this matter. However, before issuing circular I would appreciate your advising if you consider it satisfactory.

W Tyson

Superintendent.

DRAFT.

PURSERS (1 each)
CHIEF STEWARDS (2 each - 3 for Patricia, Marguerite & Pr. of Nanaimo).

Please instruct your Bartenders that effective immediately whenever your Bartender makes a mistake and rings up on the cash register a sale greater than the actual, he is not to make any attempt to correct this by failing to ring up all or part of subsequent sales, but will instead take the passenger's receipt portion of the sale rung up in error, make a notation on that receipt portion of the correct amount and turn this over to the purser at the close of the day's business with the cash tape. The Purser, or member of his staff making up the bar report, will record this, as per sample below: -

Receipt No. 127639,	$1.80	
Should read	.80	
	$1.00	Credit Difference

Previous reading	$3200.45
Current reading	3100.45
	$ 100.00

Cash	$99.00	
Cr.	1.00	
	$100.00	$100.00

The receipt in question is to be attached to the cash tape and forwarded to the Accountant at Victoria.

The Chief Stewards will ensure that the same procedure is followed with the cash registers installed at the Snack Bars of the "Princess Marguerite", "Princess Patricia" and "Princess of Nanaimo", and Pursers will follow the same procedure with regard to these three installations on the reports covering the transactions for these Snack Bars.

H. Tyson

Superintendent.

cc: E. J. Marsh, Esq.

It will be necessary for you to show a column in your statement for credits in order to cover the above transaction.

152 - L

Vancouver B.C. January 17th.,1958.

Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal Que.

B.C.C.S. Cocktail Lounges & Bar Receipts.

With reference to your file CTS-650-30 of November 15th. and to copy of Mr.G.C.Brooks' file Spl. 565 - C of November 13th. which was attached thereto.

Please find attached, copy of letter received from Mr.H.Tyson, Superintendent, B.C.C.S., Victoria B.C. This letter contains the information requested by Mr.Brooks in his letter to you.

Travelling Auditor.

Item No.	TRANSIT PRIVILEGES
①590	**Cheese, Less Than Carloads, to Calgary, Edmonton, Alta., St. Boniface and Winnipeg, Man., for Storage and Reshipment**
Application	1. Cheese, originating at points in Canada, Port Arthur, Ont., and west thereof, shipped via the Canadian Pacific Railway to Calgary, Edmonton, Alta., St. Boniface and Winnipeg, Man., for storage and reshipment in carloads, via the Canadian Pacific Railway to New Westminster, Vancouver and Victoria, B.C., for export or for domestic consumption, will be entitled to the privileges authorized herein.
Rate	2. (a) Shipments in lots of not less than 500 lbs. billed to storage point at full tariff rate, on reshipment, in carloads (see Pargaraph 3), within twelve months after date of receipt at storage point will be entitled to an allowance by voucher upon surrender of the original receipted freight bill covering inward charges and proof of reshipment via the Canadian Pacific Railway, of one-third ($\frac{1}{3}$) of the inward freight charges to the storage point. (b) The arrangement authorized in Paragraph 2 (a) must in no case involve a reduction below the through carload rate, export or domestic, as the case may be, from the original shipping point to seaport or to final domestic destination, plus stop-off charge of ▲nine (9) cents per 100 lbs. and ▲two and one quarter ($2\frac{1}{4}$) cents per ton per mile (minimum 20 miles) for haul out of direct run (if any). (c) The transit privilege published herein will **not** apply on shipments which leave the point of origin prior to the date upon which the privilege becomes effective at the transit point.
Straight Carloads or Mixed Carloads	3. The provisions of Paragraph 2 will apply when Cheese is reshipped from storage point in straight carloads, or in mixed carloads with other commodities, as authorized in governing rate tariff, provided that in such mixed carloads the billed weight of the cheese is not less than the minimum carload weight which governs the rate on a straight carload of cheese from point of origin to seaport or to final domestic destination, as the case may be.
Time Limit of Reshipment	4. Under this arrangement reshipment must be made within twelve months after date of receipt of the traffic at storage point, otherwise rates to and from storage point will apply. C.F.A. 9258 15599
595	See page 73A.
600	**Eggs, in the Shell, Carloads, for Storage and Reshipment**
Application	1. Eggs, in the shell, carloads, originating at points in Alberta, Saskatchewan and Manitoba may be shipped to Cold Storage points in Alberta, Saskatchewan and Manitoba, also to Fort William, Ont., for storage and reshipment, in straight carloads, via the Canadian Pacific Railway, to the undernoted points: (a) Montreal, Quebec, Que., Saint John, West Saint John, N.B., Halifax, N.S., and Portland, Me., **for export.** (b) Points in Canada, east of Port Arthur, Ont., shown in C.F.A. Tariff †No. ▲4-G, C.T.C. No. ▲1534 (▲R. K. Watson, Agent), C.P.Ry. No. W. ▲737-A, **for domestic consumption.** (c) New Westminster, Victoria and Vancouver, B.C., **for export or for domestic consumption.** (Concluded on next page)

①Rates and Charges in this item are NOT subject to increases provided in Item A.
†Not on file with Interstate Commerce Commission. ▲Change.

ISSUED APRIL 26, 1955 EFFECTIVE MAY 16, 1955

(Filed with I.C.C. for information only)

By J. P. McEWA[illegible]hief of Tariff and Division Bureaux, C.P.Ry. St[illegible]n, Winnipeg, Man.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B. C., January 13th, 1958. -s.

H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

Reference your communication of November 28th, file 152-L.

I have now had an opportunity to develop the question more thoroughly, and am not now in favour of the bar of the "Queen of the North" being cleared twice a trip as requested. Clearance on this bar will require to be made daily.

With regard to the questions raised concerning the "Princess Louise", I would advise that the practice of clearing once North and once South has maintained for a good many years. This is primarily due to the fact that the sales of liquor on this vessel are very very much smaller than on any of our other ships, and the cash involved is very little. To clear the bar on this vessel on her normal Alaska cruises nightly would entail maintaining a member of the Purser's staff overtime, in order to do so, and the cash receipts, in my opinion, have not warranted such action. It is only normal to clear about $30.00 each time, and on many trips, far less than this. The bartender maintains the cash in a cash register, which, when the bar is closed, is locked and placed with his liquor stores, which are also securely locked. If, however, you feel that this is not affording sufficient protection for company funds, please advise and I will arrange for a daily clearance.

H. Tyson

Superintendent.

152 - L

Vancouver B.C. December 13th.,1957

Mr.H.Tyson,
Superintendent, B.C.C.S.,
Victoria B.C.

B.C.C.S. Cocktail Lounges & Bar Receipts.

With reference to your file 14118 and further to mine of November 28th. re S/S "Queen of the North" and "Princess Louise".

Montreal is tracing me for a reply and to-date I have heard nothing further from you in connection with this matter.

Travelling Auditor.

CC:
Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal Que.

Your file CTS-650-30 of November 15th.
traced December 9th.

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Minimum Weights for Freight in Palace Horse cars	230
Motor Fuel Anti-knock Compound, Storage at Coquitlam, B.C.	685
Non-Agency Stations Freight Consigned to	110
Non-Agency Stations Freight Loaded at	110
Oil, Fish, for Hydrogenation and Reshipment	692
Oil, Fish, ex Water, Stopped-off at New Westminster, B.C., for Storage and Reshipment	693
Onions, Carloads, for Storage and Reshipment	695
Onions, Import, Partial Unloading	694
Out-of-Line Haul and Interswitching Charges	800
Packages Returned Empty	70
Package Requirements for Less-than-carload Freight	150
Palace Horse Cars:	
C.P.Ry. Charges for use of	230
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Grapefruit, Import	653
Groceries	649
Hardware	649½
Onions, Import	694
Petroleum or Petroleum Products	710
Tea, Import	764

ISSUED MAY 9, 1957

EFFECTIVE MAY 15, 1957

(Filed with I.C.C. for information only)

By S. A. KE[illegible] Chief of Tariff and Division Bureaux, C.P.Ry. S[illegible]n, Winnipeg, Man.

(Printed in Canada)

6-53.

PRINTED IN CANADA

FORM 1965

CANADIAN PACIFIC RAILWAY COMPANY

Montreal,
December 9, 1957

Mr. H.G. Letch,
Travelling Auditor,
Vancouver, B.C.

Dear Sir:

Please see my letter of Nov. 15/57
regarding
B.C.C.S. Cocktail Lounges
and Bar Receipts

File CTS-650-30

and let me have a reply as soon as possible.

Yours truly,

S D Keately

CHIEF, TRAVELLING STAFFS

152 - L

Vancouver B.C. November 28th.,1957.

Mr.H.Tyson,
Superintendent, B.C.C.S.,
Victoria B.C.

B.C.C.S. Cocktail Lounges & Bar Receipts.

Re your file 14118 of the 15th. ultimo and further to mine of October 21st.

I have now heard from Mr.G.C.Brooks in regards to Purser, "Queen of the North", clearing bar cash semi-weekly instead of nightly as is customary.

In part Mr.Brooks replies as follows:-

"The question of handling beer, wine and spirits on the B.C.C.S. boats was gone into thoroughly with Captain O.J.Williams some time ago and I cannot find any authority on file giving the Purser of the "Princess Louise" permission to clear cash from bar sales twice a week.

The Purser of each vessel should retain the keys of all cash registers used for liquor sales and take daily readings, balance the cash with the register and at the same time remove the cash leaving only the authorized float."

He is also interested in knowing from whom the Purser of the "Princess Louise" received permission to clear his bar cash semi-weekly instead of each night. He would also like to know just how our money is being protected in between the semi-weekly check, also how it is proposed to protect the Company's revenue if your request is agreed to and authorized for use by Purser, "Queen of the North".

Kindly let me have in exact detail, the information requested by Mr.Brooks.

Travelling Auditor.

PRINTED IN CANADA 1/52

CD-15A

CANADIAN PACIFIC RAILWAY COMPANY

Statement of Authorized Uncollected Telegraph Accounts at.....

Month ending.....19

DATE	CUSTOMER	AMOUNT	CASH	FOLIO	CREDIT	CHARGED OUT	OUT-STANDING	AUDITORS' FILE NO. REMARKS

FORM 102A PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM CTS-650-30

Montreal, November 15, 1957.

Mr. H.G. Letch,
Travelling Auditor,
Vancouver, B.C.

B.C.C.S. Cocktail Lounges & Bar Receipts

With reference to previous correspondence I enclose copy of a letter received from the Auditor Freight & Station Accounts for your information and necessary action.

S. D. Heavely

Chief, Travelling Staffs.

Encl.

COPY

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM SPL 565-C

Montreal, November 13, 1957.

Mr. S.D. Reavely:

Referring to your letter of October 1, file CTS-650-30 in connection with the request of Superintendent B.C.C.S. that Purser on the Queen of the North be allowed to clear his bar cash twice per week instead of nightly as is the usual practice.

The question of handling beer, wine and spirits on the B.C.C.S. Boats was gone into thoroughly with Cap. O.J. Williams sometime ago and I cannot find any authority on file giving the Purser of the Princess Louise permission to clear cash from bar sales twice a week.

The Pursers of each vessel should retain the keys of all cash registers used for liquor sales and take daily readings, balance the cash with the register and at the same time remove the cash leaving only the authorized float.

Before changing existing instructions it would be appreciated if you would have Travelling Auditor look into the method adopted by the Purser of the Princess Louise and find out just how our money is protected in between the semi-weekly check, also, how it is proposed to protect the Company's revenue if the request made by Supt. H. Tyson is agreed to and authorized for use by the Purser of the Queen of the North.

signed: G.C. Brooks,
Auditor of Freight & Station Accounts.

152-L

Vancouver B.C. October 21st.,1957.

Mr.H.Tyson,
Superintendent, B.C.C.S.,
Victoria B.C.

B.C.C.S. Cocktail Lounges & Bar Receipts.

With reference to your file 14118 of October 15th., re Purser, "Queen of the North", clearing bar receipts twice per week.

On September 12th. I referred this question to Mr.S.D.Reavely, Chief, Travelling Staffs, Montreal Que., his file CTS-650-30 covers. He in turn referred it to Mr.G.C.Brooks, Auditor of Freight & Station Accounts, Station Division, Montreal Que. I understand the latter gentleman will communicate direct with you.

Travelling Auditor.

:
CC Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal Que.

Your file CTS-650-30 of October 1st. to Mr.G.C.Brooks, covers. Can you ascertain whether or not Mr.Brooks has replied to Mr.Tyson.

Re footnote to me on copy of your letter to Mr.Brooks. Mr.Tyson, being an operating Department man, would not know to which particular Audit Department such a question should be referred.

PRINTED IN CANADA 1-48

C. D. 15A

CANADIAN PACIFIC RAILWAY COMPANY

Statement of Authorized Uncollected Telegraph Accounts at.....

Month ending.....19

DATE	CUSTOMER	AMOUNT	CASH	FOLIO	CREDIT	CHARGED OUT	OUT-STANDING	AUDITORS' FILE NO. REMARKS

FORM 102A PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B. C., October 15th, 1957. -s.

H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

Will you please advise if you are as yet in a position to reply to my communication of September 4th, requesting permission for the Purser of the "Queen of the North" to clear the bar cash twice per week instead of nightly.

H. Tyson

Superintendent.

FORM 101

PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM CTS-650-30

Montreal, October 1, 1957.

Mr. C.C. Brooks,
Station Division.

Attached you will find copies of an exchange of correspondence we have had with travelling auditor H.G. Letch, Vancouver, B.C. concerning a request he received from the Superintendent, B.C.C.S. Victoria, B.C.

It is anticipated that you will wish to communicate direct with Mr. Tyson and copies of your correspondence would be appreciated for our files.

(SGD') S. D. REAVELY

Encls.

Chief, Travelling Staffs.

c.c. Mr. H.G. Letch,
Travelling Auditor,
Vancouver, B.C.

This for your information. Mr. Tyson should have written direct to Mr. Brooks on this matter with copy to you if he so desired.

152 - L

Vancouver B.C., September 23rd.,1957.

Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal Que.

B.C.C.S. Cocktail Lounges & Bar Receipts.

With reference to your file CTS-650-30 of the 18th. instant.

On this occasion, the Superintendent, B.C.C.S., submitted his request to me and I in turn forwarded it to you to be ruled on by the Audit Department concerned.

Travelling Auditor.

PRINTED IN CANADA 1-48

C. D. 15A

CANADIAN PACIFIC RAILWAY COMPANY

Statement of Authorized Uncollected Telegraph Accounts at.....

Month ending.....19

DATE	CUSTOMER	AMOUNT	CASH	FOLIO	CREDIT	CHARGED OUT	OUT-STANDING	AUDITORS' FILE NO. REMARKS

FORM 102A

PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM CTS-650-30

Montreal, September 18, 1957.

Mr. H.G. Letch,
Travelling Auditor,
Vancouver, B.C.

I refer to your letter of September 12 in which you say that the Superintendent, B.C.C.S. is requesting that permission be granted to the purser on the "Queen of the North" to clear his bar cash twice per week instead of nightly as is the usual practice.

You do not say to which office the Superintendent submitted his request but I assume it would be the Auditor Freight & Station Accounts. I will endeavour to trace this request and let you know if I find that the permission has been granted.

S D Keately

Chief, Travelling Staffs.

152 - L

Vancouver B.C. September 12th.,1957.

Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal Que.

B.C.C.S. Cocktail Lounges & Bar Receipts.

Your files G-172930 Spl. 565C, G-187053, G-187058, G-187053 Spl. 565C and CTS-650-30 cover.

Mr.H.Tyson, Superintendent, B.C.C.S., Victoria B.C. is requesting permission be granted to Purser "Queen of the North" to clear his bar cash twice per week instead of nightly as is the usual practice. This to avoid the necessity of Purser having to wait up until bar closing time. The vessel is on the Vancouver to Ketchikan run and sails each Tuesday at 7.00 P.M. arriving back in Vancouver at 8.30 A.M. on the following Monday. Mr.Tyson states he understands such an arrangement already exists on the "Princess Louise" which is in the Vancouver, Skagway Alaska service. If such an arrangement does exist on the "Louise" I was never aware of it. He also states there is no objection to this arrangement from an operating point of view.

I have checked the bar receipts for the "Queen of the North" from January 29th. to September 8th. inclusive and find they totalled $8159.74 for that period or an average of $272.00 per week.

Will you kindly advise from an accounting viewpoint whether or not this request meets with your approval.

Travelling Auditor.

PRINTED IN CANADA 1-48

C. D. 15A

CANADIAN PACIFIC RAILWAY COMPANY

Statement of Authorized Uncollected Telegraph Accounts at.....

Month ending.....19

ATE	CUSTOMER	AMOUNT	CASH	FOLIO	CREDIT	CHARGED OUT	OUT-STANDING	AUDITORS' FILE NO. REMARKS

FORM 102A PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

SS "Queen of the North"

FILE OR CLAIM

Vancouver, B. C.,
September 10th, 1957.

Mr. H.G. Letch,
Travelling Auditor,
Can. Pac. Rly. Co.
Vancouver, B. C.

Dear Sir:-

Reference our telephone conversation the other day regarding Bar Receipts, on this vessel over the last six months.

Herewith please find list of Receipts from January 29th to September 9th.

Thank you,

A.J. Woollett
Purser

S.S. "QUEEN OF THE NORTH"

BAR RECEIPTS - January 29th - September 9th/57

Period Ending		Amount
Jan 29th	-Feb 4th	353.82
	-Feb 11th	221.62
	-Feb 18th	169.40
	-Feb 24th	194.41
	-Mar 4th	313.79
	-Mar 11th	296.49
	-Mar 18th	307.74
	-Mar 24th	327.18
	-Mpr 1st	334.75
	-Apr 8th	354.45
	-Apr 15th	271.05
	-Apr 22nd	463.56
	-Apr 29th	220.96
	-Apr 30th	(Vessel tied up for Annual Overhaul)
May 21	-May 26th	264.89
	-June 2nd	270.10
	-June 9th	218.46
	-June 17th	310.58
	-June 23rd	207.99
	-July 1st	267.91
	-July 7th	231.33
	-July 14th	297.50
	-July 21st	286.96
	-July 28th	207.42
	-August4th	322.95
	-Aug 11th	263.00
	-Aug 19th	334.18
	-Aug 26th	237.05
	-Sept 1st	366.40
	-Sept 8th	243.80
		$-8159.74

A.P. Woollett
Purser

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B. C., September 4th, 1957.

H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

Dear Sir:

Purser, "Queen of the North", is requesting permission to clear his bar cash twice per week instead of nightly to avoid his having to wait up for bar closing time. It is understood that such an arrangement as proposed is already in effect on the "Princess Louise".

There is no objection to this change from an operating point of view and, if you are in accord, it would be appreciated if you would kindly notify the Purser accordingly, letting me have copy of your advice.

Yours truly,

W. Tyson

Superintendent.

Rec'd Sept 6/57
H.G.L.

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B.C., July 31st, 1957

H. G. Letch, Esq.
Travelling Auditor
Vancouver, B.C.

Dear Sir:

Further to my letter of the 9th instant regarding proposed adoption of a changed procedure in the handling of orders in the Princess Rooms of our vessels.

Under date of July 19th the Vice-President wrote the Manager as follows:

> "With reference to exchanges, your file 14118, regarding issuing of receipts in cocktail lounges.
>
> "You may arrange immediately to include the S.S. and M.A. tax in the price, but I am still not convinced that a change should be made in the method of issuing receipts, particularly as the only reason for doing so appears to be designed to make it easier for the bartender and lounge waiter. I do not agree that the time taken to issue a receipt has any bearing on the speed of the service. In addition, the practice is one of the few means of visually checking what is going on."

Yours truly,

H. Dyson
B

Superintendent

FORM 101

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B. C. July 30th1957. -h

TO:

All PURSERS

Effective August 1st 1957, it is proposed to use a revised menu in the Princess Rooms. The prices quoted will include the Provincial Sales Tax in the individual prices. This will eliminate the use of the tax tokens being used at the present time.

To arrive at the amount of the sales tax it will be necessary for you to take a reading of the cash register at the commencement and conclusion of your Canadian voyage, along the lines as being used at present for the computing of Canadian and U.S. Sales. To arrive at the amount of sales tax collected in Canadian waters you will divide the Canadian sales by twenty-one, which will give you your sales tax which will be shown on the daily bar report as B. C. tax.

W. T. Jam
Superintendent.

cc. To All Chief Stewa rds.

When extending your bar sales in your stock book, all sales to be as shown on the menu.

H. E. Miller
CAtering Superintendent.

cc: E. J. Marsh, Esq.
T. Aird, Esq.
Mr. Letch, Auditor.
H. E. Miller, Esq.

FORM 101

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Vancouver, B.C., July 23rd, 1957.

TO ALL CHIEF STEWARDS

Effective August 1st it is expected that a revised menu for the Princess Rooms will be issued to all vessels. For your information herewith presented actual changes in the revised menus and revisions in the methods of actual physical operation.

(1) Tax tokens to be eliminated in their entirety.

(2) All drinks will include the charge of B.C. Provincial Tax and priced at a multiple of five cents. This will eliminate the necessity of a supply of pennies in your cash register.

(3) A notation will be placed on the menu to the effect that "the above prices include B.C. Provincial Tax".

(4) Menus for use in American Waters will have a distinguishing mark such as the Company's crest on the face of the cover in order that these menus are readily discernible for use in American Waters. The beverages on these menus for use in American Waters will be priced identical to the prices on the Canadian menus and the notation "the above prices include B.C. Provincial Tax will be omitted".

(5) On vessels operating entirely in Canadian Waters in order to compute the Provincial Tax the aggregate amount of one day's business shall be divided by 21 the resulting amount will equal the Provincial Tax applicable to the revenue for that particular day. The cash register tape to be remitted to Victoria with the Steward's Daily Report.

FORM 101

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

(6) On vessels operating in both Canadian and American Waters a reading must be taken of the cash register for revenue received in Canadian Waters and the amount divided by 21 to ascertain the amount of B.C. Provincial Tax applicable to that period.

(7) At the present time there will be no change in the handling of receipts to our patrons. Please advise your Bar Staff of these revisions and if not fully understood to report to this office for clarification.

(8) Upon receipt of the revised menu you will note that three additional cocktails have been added namely; Side Car, Planters Punch and Cuba Libre. The contents of these three drinks should be as follows:

Side Car -- 1 oz. Brandy, ½ oz. Cointreau, ½ oz. Lemon Juice.

Planters Punch - 1 oz. Rum, ½ oz. Curacao, 1 oz. Grenadine, 1 oz. Lemon Juice, 1 oz. Orange Juice, dash of Lime Juice, float of red wine, garnish with cherry and orange slice also sprig of mint dipped in sugar.

Cuba Libre -- 1½ oz. Rum, ¾ oz. Lime Juice top with coca cola.

Yours truly,

Asst. Catering Superintendent.

cc:H.E.Miller, Esq.....Victoria,
E.J.Marsh, Esq.....Victoria,
Mr. Leth.....Vancouver

152 - L

Vancouver B.C. July 9th.,1957.

Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal Que.

Liquor Sales - B.C.Coast Service.

With reference to your file CTS-650-30 of the 7th. ultimo, in re above.

Re para.3

This paragraph of your letter reads in part, "What seems to be required is a system which is easy to work at peak periods and at the same time maintains or improves the protection of the Company and the customers." This is correct, but the management is also desirous of improving the service to the patrons during peak periods. It has been noted, that in the rush periods a waiter can on most occasions accept from, and or order for two or more parties, but owing to the fact he must obtain individual receipts for each patron or party, he has a tendency to accept and serve one order at a time, which definitely slows down the service and reduces the volume of revenue which might otherwise be obtained. It is the wish of the management to have the bartender issue one cash register receipt only to the lounge waiter irrespective of whether or not the order placed with the bartender consist of one or more orders. The reason for this is, experience has shown that during peak periods, particularly on the Nanaimo-Service, it is impracticable to issue individual receipts, give service and obtain the maximum amount of business available. On some occasions during a two hour selling period, a revenue of $500.00 is obtained, ninety-five per-cent of which is from the sale of bottled beer.

Re para.4

When the bars were first opened, a modified type of hotel cash registers were considered. However it soon developed that they would not be suitable for the volume of business which had to be handled during the short periods which the bars are open,(They are not permitted to be open prior to sailing time and must be closed prior to docking.)

Item No.	TRANSIT PRIVILEGES
①658	**Lumber, Rough, Carloads, for Dressing, Kiln-drying, Re-sawing, Ripping or Sorting and Reshipment**

Application

1. (a) Lumber, Rough, carloads, originating at points in Canada, Port Arthur, Ont., and west thereof, may be stopped-off in transit at points on the Canadian Pacific Railway or Esquimalt and Nanaimo Railway in British Columbia, Alberta, and Saskatchewan, also ♦St. Boniface and ♦Winnipeg, Man., for dressing, kiln-drying, re-sawing, ripping or sorting, and reshipment in carloads, via the Canadian Pacific Railway, or Esquimalt and Nanaimo Railway, and connections: 467RD

(i) To points in Canada.
(ii) To points in the United States.

(b) The transit privilege authorized herein will apply only when the transit point is on the direct line between point of origin and final destination, or on a line diverging from such direct line; otherwise, local rate to and from transit point will be assessed.

(c) The transit privilege authorized herein will not apply when the transit point and final destination are the same or in the same group of terminals.

Through Rate

2. The through rate from point of origin to final destination, in effect on date of shipment from point of origin, will apply, plus charge for stop-off and out-of-line haul, if any, as specified in paragraphs 4 and 5. Should a carload from the transit point contain traffic from more than one inward carload, the highest balance of through rate from any point of origin to final destination will be assessed on the entire carload reshipped under this privilege.

Rate to Transit Point

3. Shipments will be waybilled to the transit point at the tariff rate applicable thereto.

Stop-off Charge

4. The charge for stop-off will be 2¼ cents per hundred pounds, minimum $9.90 per car, in addition to the through rate from point of origin to final destination, plus charge for out-of-line haul, if any, as provided in Paragraph 5. (See also Paragraph 6.)

Charge for Out-of-Line Haul

5. When the transit point is on a line diverging from the direct line, as authorized in Paragraph 1 (b), an additional charge for haul out of direct line, as specified below, will be made, in addition to the stop-off charge provided in Paragraph 4. (See also Paragraph 6.)

Out-of-Line Haul Distance, in Miles	Charge in cents per 100 lbs. (See Exceptions 1, 2, 3 and 4)	Out-of-Line Haul Distance, in Miles	Charge in cents per 100 lbs. (See Exceptions 1, 2, 3 and 4)	Out-of-Line Haul Distance, in Miles	Charge in cents per 100 lbs. (See Exceptions 1, 2, 3 and 4)
24	2¼	124	12	224	22
34	2¾	134	13	234	24
44	4	144	14	244	25
54	4½	154	15	254	25
64	6	164	15	264	26
74	7	174	17	274	26
84	7½	184	17	284	27
94	8½	194	18	294	30
104	9	204	18	304	30
114	11	214	22		

Where charge is not shown for the exact distance, use the charge given for the next greater distance.

Exception 1. When origin, transit, and destination points are all competitive, and mill or sorting yard at transit point is served direct by both Canadian Pacific Railway and the competing railway, or is not served direct by either Canadian Pacific Railway or the competing railway, maximum charge for out-of-line haul will be that of the competing railway.

Exception 2. When origin, transit, and destination points are all competitive, and mill or sorting yard at transit point is served direct by Canadian Pacific Railway but not by the competing railway, maximum charge for out-of-line haul will be that of the competing railway, plus interswitching tolls from interchange to the mill or sorting yard and return.

Exception 3. When origin, transit, and destination points are all competitive, and mill or sorting yard at transit point is served direct by the competing railway but not by Canadian Pacific Railway, the maximum charge for out-of-line haul and interswitching from interchange to mill or sorting yard and return will be the out-of-line haul charge of the competing railway.

Exception 4. No out-of-line haul charge will be assessed on shipments originating at stations on the Esquimalt and Nanaimo Railway, competitive with Canadian National Railways, which are accorded transit privilege under this item at New Westminster, B.C.

(Continued on page 80B)

①Rates and Charges in this Item are NOT subject to increases provided in Item A.
♦Reduction.

ISSUED SEPTEMBER 6, 1955 EFFECTIVE SEPTEMBER 13, 1955

(Filed with I.C.C. for information only)

By S. A. KERR, Chief of Tariff and Division Bureaux, C.P.Ry. Station, Winnipeg, Man.

Mr.S.D.Reavely;

Again the term "Cocktail Lounge" is really a misnomer, the amount of liquor sold is not great, the heaviest sales being bottled beer, and during rush periods they operate more an the plan of a beer-parlour or tavern. There is no comparison between them and one of our hotel lounges where as a general practice the waiters are never rushed and larger staffs are maintained.

In November 1955, Mr.S.V.Walker, Travelling Accountant, while in Victoria made a survey of the accounting for these bars and submitted his report to Mr.M.C.Barber. I believe Mr.Barber's files covering were G-187053 and CTS-186.

Re para.5

The B.C.Coast service discontinued the use of miniature bottles when they were found to be impracticable. As already mentioned by me, these bars cannot really be classified as "Cocktail Lounges". Frequently as soon as the bar opens every table is filled, and it was found to be impossible for the waiter to open the miniature bottle by breaking the seal at the table in the presence of the patron in compliance with the law. The table being filled, left him without a place to rest his tray other than on the deck and again slowed down the service to a great extent. Also a minimum of straight liquor drinks are sold, the majority of liquor used is in mixed drinks and again other than to Americans, these sales are not too heavy. Consequently it was considered in the interest of all concerned to dispense with the small individual bottles.

Travelling Auditor.

Item No.	TRANSIT PRIVILEGES
①545	**Baler or Binder Twine—Stop-off in Transit for Partial Unloading**
Application	1. Shipments of Baler or Binder Twine, carloads, originating at stations in Canada, Port Arthur, Fort William and West Fort William, Ont., and east thereof, may be stopped-off at stations in Canada, Port Arthur, Ont., and west thereof, for partial unloading subject to the following conditions (See Note): **Note**—The provisions of the item may also be applied on shipments which move out of storage at the balance of the through rate from point of origin to final destination under the provisions of Item No. 506 of this tariff.
Number of Stop-offs	2. Not more than three stop-offs for partial unloading will be permitted under this or other tariffs, and only one placement will be made at each stop-off point.
Charges	3. Freight charges will be assessed on the total weight loaded at point of origin, but not less than applicable carload minimum weight, at rate from point of origin to final destination or to any stop-off point, whichever is the highest, plus stop-off charge shown in paragraph 4 and out-of-line haul charge, if any, shown in paragraph 5.
Stop-off Charge	4. The stop-off charge will be $11.10 for each stop-off.
Out-of-Line Haul and Interswitching Charges	▲5. Out-of-line haul and interswitching charges as provided in and subject to the provisions of Item 800 will be assessed in addition to other charges.
Demurrage	▲6. If cars are held under load at stop-off point beyond the free time authorized under Canadian Car Demurrage Regulations, demurrage charges as provided for in Canadian Car Demurrage Tariff C.T.C. No. 5, I.C.C. No. 3, C. H. Thurber, Agent, will be assessed.
Non-Application	▲7. This arrangement will not apply: (a) On shipments consigned "To Order" or otherwise so consigned as to require the surrender of a bill of lading, written order or any other document as a condition precedent to delivery. (b) If the stop-off point is a non-agency station. (See Exception.) (c) On shipments destined to a point in the United States. (d) If other freight is added or substituted at a stop-off point. **Exception**—Baler or Binder Twine, carloads, may be stopped-off in transit for partial unloading at non-agency stations in Canada, Port Arthur, Ont., and west thereof, subject to rates, charges, rules and conditions published in Canadian Freight Association Tariff No. 81-A, C.T.C. No. 1569, R. K. Watson, Agent.
Unloading of Freight	▲8. The unloading of freight at stop-off point will not be performed by the railway company.
Bills of Lading and Waybills	▲9. Bills of lading and waybills must show each point at which a portion of the shipment is to be unloaded with the name and address of whoever is to unload the freight.
Particulars of Partial Unloading	▲10. Particulars of the freight removed must be given to Railway Agent at stop-off point by whoever performed the partial unloading.
Bracing and Stowing	▲11. Freight remaining in car at stop-off point must be properly stowed and braced to prevent loss or damage, by whoever performed the partial unloading. C.F.A. 12846 65RD 996RD **This arrangement is issued to meet motor truck competition.** **Expires with June 30, 1957, unless sooner cancelled, changed or extended.**

①Rates and charges in this item are NOT subject to increases provided in Item A or B. ▲Change.

ISSUED APRIL 15, 1957 EFFECTIVE APRIL 22, 1957

(Filed with I.C.C. for information only)

By S. A[illegible]ERR, Chief of Tariff and Division Bureaux, C.P[illegible]. Station, Winnipeg, Man.

(Printed in Canada)

FORM 102A PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B.C., July 9th, 1957

H. G. Letch, Esq.
Travelling Auditor
Vancouver, B.C.

Dear Sir:

For your information and record, you will find attached a photostat of a letter addressed to the Vice-President on the 5th instant, recommending the adoption of a changed procedure in the handling of orders in the Princess Rooms of our vessels, in order to provide a faster service to patrons.

I shall advise further on receipt of Mr. Manson's reply.

Yours truly,

H. Lyson

Superintendent.

14118

Victoria, B. C., July 5, 1957.

W. Hanson, Esq.,
Vice-President,
Vancouver, B. C.

Dear Sir:

In order to provide faster service in the Princess Rooms of our vessels it is proposed that the giving of receipts for individual orders be eliminated and the lounge waiters be permitted to accept as many orders as can be conveniently remembered and total payment made to the bartender accordingly. This proposal has been referred to the Auditor of Disbursements and he has approved it for the period May to September inclusive on a test basis. He has requested that he be kept informed of the situation from month to month in order that it might be observed if a sales increase is evident.

It has also been proposed that the present method of collecting and accounting for B.C. Sales Tax be revised by including the tax in the price of the drink concerned. Amount of tax due can be computed at day's end by dividing taxable sales by 21. This procedure is in vogue elsewhere and is acceptable to the B.C. Government auditors and also to our own Audit Department. It has also been confirmed with our Legal Department that there is no objection to such an arrangement providing menus concerned are endorsed strongly to indicate that tax is included.

To set up the prices to include tax means, in the average case, that the unit sale will increase 5¢ and the effect of this, particularly on U.S. sales which are not subject to tax, will be to produce an estimated additional $12,000 of gross revenue per year, computed as under:

U.S. Sales	8% of 30% of $275,000	= $6,600
Can. Sales	3% of 70% of $275,000	= $5,775
		$12,375

The above increase in Canadian Sales results, of course, from the fact that the rise in price of 5¢ exceeds the tax by 1¢ to 3¢. In the case of the U.S. sales it is a straight price increase.

Will you kindly say if you approve of the above two changes in procedure in order that we might proceed with the reprinting of menus and issue the necessary instructions to the Chief Stewards accordingly. It would appear desirable to make the change effective as soon as possible in order to obtain the benefit of the summer traffic.

Yours truly,

O. F. Williams.
Manager.

DEPARTMENT 11 VANCOUVER, B. C. JULY 9th 1957

R J BEATTIE....CHIEF CLERK...VICTORIA

PLEASE HAVE COPY LETTER BEING SENT TO VICE PRESIDENT REGARDING INCLUSION SALES TAX INTO THE SELLING PRICES AND ELIMINATION TAX TOKENS ON LIQUOR SALES FORWARDED TO TRAVELLING AUDITOR H G LETT T-5

TYSON

CC. H. G. Lett, Esq. Tra velling Auditor.

FORM 102A PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM CTS-650-30

Montreal, July 4, 1957.

Mr. H.G. Letch,
Travelling Auditor,
Vancouver, B.C.

Liquor Sales - B.C. Coast Services

Will you please let me have a reply to my letter of June 7.

S. D. Keasely /ss

Chief, Travelling Staffs.

FORM 101 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Vancouver, B.C., June 21st, 1957.

H. E. Miller, Esq.,
Catering Superintendent,
Victoria, B. C.

Dear Sir:

With reference to letter dated June 11th, 1957, file 152-L, from Mr. H.G. Letch, Travelling Auditor, pertaining to liquor sales B.C.Coast Service.

With regard to control of revenues from our Princess Rooms:

(1) All issues to the Bartender are charged to his operation at the selling price per unit. A minimum quantity is allowed for spillage and evaporation. For example: Rye is charged to the Bartender at 24 units per 25 ounce bottle. Scotch at 26 units per 26 and 2/3 ounce bottle.

(2) Spot checks, which are actually complete inventories, are taken at various intervals. The date and times of which are unknown to the ship's personnel. A trial balance is taken immediately by our Accounting Department.

(3) Inventories are taken at the end of each month and statements prepared by the Accounting Department.

(4) Each bottle of wine or liquor when issued from the Commissary Stores has a small gummed B.C.C.S. label attached to the bottle.

(5) Each bottle of wine or liquor is also marked in indelible pencil with a symbol which signifies only to the Commissary Clerk and the Assistant Catering Superintendent the month on which said bottle was issued to the respective vessel.

(6) A sales slip is issued to the Lounge Waiter from the Bartender for each individual order received from a patron.

(7) It is a wish of management to issue one receipt only to the Lounge Waiter irrespective of whether or not said order as placed to the Bartender consists one or more orders. The reason for these suggestions is that experience has shown that during peak periods

FORM 101 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

also individual bottles do not lend themselves for the preparation of mixed drinks from which the profit is substantial.

At this time I would like to mention that for the month of May 1957 revenue from our Cocktail Lounges was $25,078.00--cost of goods sold $11,280.00-- profit on operation $7,639.00--percentage of profit 30%. I do not believe that those figures show lack of control. Can this be equalled elsewhere?

Operational cost 6,159.00

Yours truly,

J. Oliver.

Asst. Catering Superintendent.

Cost of bevs	11,280.00
Cost of operations	6,159.00
Profit	7,639.00 = 30%
	25,078.00

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

particularly on the Nanaimo-Service it is impractical to issue individual receipts and obtain the maximum amount of business. On the 17:00K sailing on Fridays and Saturdays from Nanaimo on the "Princess of Nanaimo" in a period of 2 hours a revenue of $500.00-- is frequently obtained. Ninety-five percent of this amount is from bottle-beer. As a Lounge Waiter must obtain a sales slip to present to each individual who has placed an order it naturally follows that:

(1)The Lounge Waiter places his order for one party at ~~the~~ a time.
(2)The Bartender spends an equal amount of time in ringing up four bottles of beer as he would in ringing up ten bottles of beer.

Items 1 and 2 show that our present system curtails the opportunity of collecting maximum revenue in a 2 hour period. Also we should bear in mind that on this sailing mentioned we are actually catering to an ~~important~~ IMPATIENT clientele who demand beer as quickly as possible.

investigators travelling from time to time watch sales ring up.

I trust the point herein mentioned will show that all efforts are being made to control revenues and that the issue of one sales slip for each order as placed by the Lounge Waiter irrespective of whether or not such order is for one or more parties will not in any way lessen control of revenues.

To assume that it is possible to inaugurate a system whereby complete control is exercised is purely a theory. What is important is the integrity of the employee, who is in any way handling liquor, efforts are made to ascertain that the desirable type of person is placed in this position.

I feel that a comparison of hotel and steamship operation would serve no useful purpose as hotel staffs are invariably much larger than we have on steamships. Also of necessity it is necessary to hire our employees on a monthly basis, there is no such thing as shift work for part time employees. Also our revenue is received during the time in which the vessel is actually steaming during the hours in which the Cocktail Lounge is open as specified by the B.C.Liquor Act. On the "Princess of Nanaimo" such business consists of 8 hours daily, thereby causing various spurts of business when the premises are open. A Cocktail Lounge ashore is open for 13 hours each day.

I do not believe that any further comment is necessary regarding individual bottles. Indubitably control is simplified but margin of profit is curtailed.

FORM 102

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CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Vancouver, B. C., May 6th, 1957.

H. E. Miller, Esq.,
Catering Superintendent,
Victoria, B. C.

Dear Sir,

Herewith presented for your consideration suggested changes and revisions in the operation ofour Princess rooms which I believe will be beneficial to the extent of increasing revenue, simplifying accounting, streamlining the actual physical operation with resulting possible elimination of financial error.

1. Regulations now existing call for an individual receipt to be issued to each individual who has placed an order for self or party. During a particularly busy period a waiter can on most occasions accept from and order for two or more parties, but owing to the fact that he must obtain an individualreceipt for each patron or party he has a tendency to accept and serve one order at a time it is obvious that the revenue which it is possible for one individual to obtain for the Company during a busy period is limited due to our regulations. I suggest that a lounge waiter be allowed to accept as manyorders as he can conveniently remember and make total payment to the bartender. I do not believe that we service any useful purpose in issuing individual receipts to a patron, also our operation is such that due to limited space frequently two or more parties will be sitting at one table and it is difficult for the lounge waiter to ascertain the division of the parties. For example there could be six people at one table all conversing, the waiter might believe that the six people consist of a party of four and two when in actuality they could be two parties of three.

2. Eliminate tax tokens,I doubt if there is a similar establishment in the Province which issues said tokens and I am reasonably sure that our audit department would have no objection to the elimination.

3. Any drink or combination of drinks involving the calculation of pennies which is time consuming and materially increases the possibility of error, this is particularly true when serving one and a half ounce measures of liquor. In many establishments it is

Cont'd/...

the practice to include the S.S. & M.A. Tax with the price of the drink served, each drink can be priced at a multiple of five cents, including tax which will make rapid calculation possible for the bartender and eliminate the necessity of a supply of pennies. As an example local beer is now 35 cents per bottle plus two cents tax, we could charge 40 cents per bottle, including tax, this three cents increase would substantially increase our revenue. The same system would apply to local and eastern ales. In the serving of mixed drinks to include tax the adjusted price to the nearest five cents would show an additional revenue ofone cent per drink. In the serving of whisky, brandies, gin and rum also liqueurs to include tax the increase in revenue would vary from one to three cents per drink.

The question of computing Provincial Tax is comparatively simple, should we take the aggregate amount of one days business and divide by 21 we will have the amount of Provincial tax. For example, 1 days business equals $1000.00 divided by $21 result $47.62 equals Provincial Sales Tax.

With reference to Provincial Sales Tax, should it be necessary to place a notation on our Cocktail Menus to the effect that "All prices include S.S. & M.A. tax of 5%" as this tax is not applicable in United States waters it will be necessary for menus to be printed omitting the quotation "All prices include S.S. & M.A. Tax" for service in American waters. This, of course, will mean an additional revenue in United States Waters to the amountof the Provincial Sales Tax. If the notation in question can be omitted entirely the necessity of two menus will be eliminated.

4. We have placed a regulation in effect that the Bartender must at all times wear a white coat and the Company's badge. With the warm weather approaching and considering the nature of the Bartender's duties whereby it is necessary for him to wash glasses and be continually opening and closing the fridge doors to obtain beer I suggest that a clean starched white shirt with black tie and a belt be considered as acceptable attire for our bartenders. As there is only one bartender on duty a badge is not necessary for identification purposes. Shouldwe so desire we could have a framed card placed on the bar with the bartenders name, similar to that which we placed in the Pursers office. I believe this would be a worthwhile innovation.

Cont'd/...

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

5. The additional Cocktails should be placed on our menus, namely, Side car, Planters punch and Cuba Libre. These drinks are quite popular and as the first two contain Cointreau and Curracao, commodities which we carry in our bar and for which there is very little demand, the addition of the Side car and Planters Punch will increase the sale of these two slow moving items.

6. Further to Item No. 1. The bartender upon receiving an order from the lounge waiter can ring up on the register each item of the order in order that the patron, should he so desire, observe the amount of the sale. For example, assuming the order to be four bottles of beer, one Scotch and soda and one Rye and ginger ale, the amounts registered on the cash register would be $1.60, 70¢ and 65¢.

Yours faithfully,

Assistant Catering Superintendent.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM CTS-650-30

Montreal, June 7, 1957.

Mr. H.G. Letch,
Travelling Auditor,
Vancouver Depot, B.C.

Liquor Sales - B.C. Coast Services

Your letter of May 30 has been forwarded to the audit office concerned.

The proposal for dealing with the B.C. 5% sales tax appears to have considerable merit, but does not call for any special comments from me.

With regard, however, to the proposals regarding the issue of sales checks to customers, I feel that this is hardly the time for suggesting any relaxation of controls when they already leave much to be desired. We are of course expected to collaborate in matters concerning revenue controls, but any such suggestion should be initiated by the accountant directly with the audit office. What seems to be required is a system which is easy to work at peak periods and at the same time maintains or improves the protection of the Company and the customers. Quote

The hotels use equipment which could perhaps be modified for use in the B.C. fleet and, if called upon to do so, we could have a travelling accountant who is experienced in hotel work to make some recommendations.

I may say that the Bay of Fundy service uses only bottled supplies, including individual bottles for hard liquor. This seems to give controls of the store operations as well as the bar with a minimum of paper work and at the same time gives protection to the customers. According to my file B.C. Coast Service~~s~~ discontinued this system in the Spring of 1956 and I would be glad to have your comments in this connection.

S D Reavely

Chief, Travelling Staffs.

152 - L

Vancouver B.C. May 30th.,1957.

Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal Que.

Liquor Sales - B.C. Coast Services

It is the desire of the Management of the B.C.C.S., to discontinue assessing and collecting the B.C. Social Security and Municipal Aid Tax (5%) as a separate unit in the Coctail Lounges & Bars on board their various vessels. This to simplify the accounting and abolish the necessity of issuing tax tokens and penny change. It is their wish to incorporate the Sales Tax in the unit sales price on the bar menus. The question has been discussed with the Provincial Tax authorities and although the burying of the tax is contrary to the actual wording of the law, they apparently will not object to the practice so long as it is clearly marked on the menu that the prices listed include the Provincial tax. It would of course be necessary to have two sets of price lists printed, as the Provincial tax is not collectible on bar sales made while the ships are in American waters. The method of settling for the tax would be to keep two separate cash register tapes, i.e., one for sales in Canadian waters and another for those made in American waters. The total of sales appearing on the tape covering beverages sold in Canada would be divided by 21, to arrive at the amount of tax payable. By dividing by 21 it will average out to practically the 5%. For example, gross sales of $100.00 divided by 21 would show a tax of $4.76, a net sales of $95.00 taxed at 5% equals $4.75. This feature has also been discussed with the tax authorities and I understand they are agreeable to settling on this basis. I am attaching hereto, a copy of Captain O.J.Williams' telegram of May 22nd., to our solicitor, Mr.F.H.Britton, in this connection, also a copy of his reply thereto.

It is also found that the issuing of individual sales slips to patrons definitely slows down bar operations during peak periods, and they would like to revise the method now in effect. That is, where practicable, individual sales slips will be issued. However during peak periods when a steward is taking orders from four or five tables at one time, he will give the bartender his various orders, but will receive only one sales slip covering all the orders issued.

CARRIERS' INDIVIDUAL TARIFF NUMBERS

E. & N.Ry. No. 35-H | N.A.R. No. 79-F | W.R.Ry. No. 11-F

CHECK SHEET

Pages 1 to 99C, inclusive, of this tariff are effective as of the date shown.

Original and Revised pages as named below, contain all changes from the Original Tariff that are in effect on the date hereof.

The effective date is shown on each page.

Page No.	Number of Revision	Page No.	Number of Revision	Page No.	Number of Revision	Page No.	Number of Revision	Page No.	Number of Revision
Title	6th	29	6th	60	1st	77A	①	85A	1st
▲1	133rd	30	6th	61A	11th	78	1st	86	5th
2	2nd	32A	2nd	61A-1	1st	78A-1	2nd	87	2nd
3	3rd	32B	1st	61B	4th	78A-2	1st	87A	1st
4	16th	32C	1st	▲61C	3rd	79	1st	88	5th
5	17th	35	1st	62	12th	79A	3rd	88¼	2nd
6	7th	37A	Original	63	5th	79A-1	Original	88½	1st
7	19th	38	3rd	65	6th	79B	1st	88¾	Original
8	18th	39	3rd	66	2nd	79B-1	1st	88A	3rd
10	1st	39A	Original	67	1st	79C	6th	89	2nd
11	4th	40	1st	67A	13th	79D	4th	90	7th
12	2nd	43	3rd	67B	2nd	79E	Original	91	8th
15	1st	44	6th	68	4th	79F	Original	92	5th
16	5th	45	3rd	70A	4th	79½	Original	93	1st
16A	Original	45A	1st	70B	2nd	79½A	Original	93½	3rd
19	5th	46	2nd	71	3rd	80	6th	93¾	Original
19A	Original	47	4th	72	2nd	80A	3rd	94	1st
20	4th	48	4th	72A	3rd	80B	Original	94½	6th
21	5th	49	1st	73	1st	80C	Original	94¾	Original
21A	Original	50	6th	73A	4th	80D	Original	96	6th
21½	Original	51	1st	73B	Original	80½	Original	97	10th
22	1st	52	1st	▲73C	1st	81	7th	97A	1st
23	2nd	▲54	5th	74	7th	82	7th	98	1st
24	4th	55	3rd	74A	1st	82A	2nd	98A	1st
25	5th	56	1st	76	5th	83	1st	99	Original
26	6th	57	3rd	76A	3rd	84	4th	99A	Original
27	8th	58	1st	76B	7th	85	3rd	99B	Original
28	4th	59	1st					99C	Original

①Cancelled page. ▲Change.

ISSUED MARCH 25, 1957

(Filed with I.C.C. for information only)

By S. A. KERR, Chief of Tariff and Division Bureaux, C.P.Ry. Station, Winnipeg, Man.

Mr.S.D.Reavely:

It is felt that to abolish the sales slip entirely could lead to possible irregularities. By having the sales slip issued, the sales must definitely be rung up on the cash register.

If the foregoing arrangements meet with your approval, will you kindly advise and the matter will then be referred to Mr.J.C.Manson, Vice-President, Vancouver B.C., for finalizing.

Travelling Auditor.

E. & N.Ry., C.T.C. No. 828
W.R.Ry., C.T.C. No. 48

Tariff C.P.Ry. No. W. 150-H

C.P.Ry., C.T.C. No. W. 4070
C.P.Ry., I.C.C. No. W. 1021

CARRIERS' INDIVIDUAL TARIFF NUMBERS

E. & N.Ry. No. 35-H | N.A.R. No. 79-F | W.R.Ry. No. 11-F

CHECK SHEET

Pages 1 to 99C, inclusive, of this tariff are effective as of the date shown.

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25	5th	55	3rd	▲74	7th	▲82A	2nd	99	Original
26	6th	56	1st	▲74A	1st	83	1st	99A	Original
27	8th	57	3rd	76	5th	84	4th	99B	Original
				76A	3rd	85	3rd	99C	Original

①Cancelled page.

▲Change.

ISSUED FEBRUARY 28, 1957

(Filed with I.C.C. for information only)

By S. A. KERR, Chief of Tariff and Division Bureaux, C.P.Ry. Station, Winnipeg, Man.

C
O
P
Y

TELEGRAM

File: 14118
Victoria, B.C., May 22nd, 1957.

Department No. 11 2:45 p.m.

F.H.BRITTON.....VANCOUVER

It is our desire to achieve simplification in accounting for sales in bars by incorporating the B.C. Sales Tax in the unit sales price on bar menus. Verbal advice received from B.C. Sales Tax Auditors this date, however, would indicate that such burying of a Provincial tax is contrary to law. It was pointed out to them that such procedure is presently in effect in other lounges and theyadmit they are aware of this. They also inferred informally that there would be little likelihood of any action if such a step were also taken by us. In order that we might proceed with seasonal reprinting of menus would appreciated your advice in this matter. M-17

O.J.WILLIAMS

C
O
P
Y

CANADIAN PACIFIC RAILWAY COMPANY

Law Department

File or Claim 9122

Vancouver, B.C., May 23rd, 1957.

Captain O.J.Williams,
Manager,B.C.C.S.,
Victoria, B.C.

Dear Sir:

Receipt is acknowledged of your telegram concerning the Social Security and Municipal Aid Tax sometimes referred to as the B.C. 5% Sales Tax.

I can understand why the Government Auditor would prefer that the sales price on bar menus should be quoted without tax but there is no regulation directly prohibiting the practice of including the tax with the price. It should appear clearly on the menu that the prices quoted include the tax.

Regulation 5-12 published pursuant to the S.S. and M.A. Tax Act reads:

"5-12. Where a receipt, bill, invoice, or other document is issued by a person selling tangible personal property at a retail sale, the tax shall be shown as a separate item thereon."

Strictly speaking, if a customer is given a slip of paper from the cash register, it should show the price of thedrink and the tax as a separate item. However, if other bars are disregarding this regulation, I see no reason why we should not do so if it is to our advantage.

Yours truly,

(sgd)F.H.Britton
Solicitor.

FHB-as

A Canadian Pacific

112

C.D 1R

TELEGRAM

WORLD WIDE COMMUNICATIONS

"The filing time shown in the date line is STANDARD TIME at place of origin. Time of receipt is STANDARD TIME at place of destination"

VI A150 RS

TELEPHONED

VICTORIA BC 23

TO HAL AT 1154 BY MAY 23 AM 11 33

H G LETCH

DELIVERED

TO BE MAILED

FILED

TRAVELLING AUDITOR VANCOUVER

MR AIRD AND MR OLIVE WILL SEE YOU IN VANCOUVER MONDAY MORNING 9.30 AM DST IF CONVENIENT WITH YOU K-84

H E MILLER

R.S.

Vancouver B.C. May 23rd.,1957.

H.E.Miller,
Superintendent Catering Department,
B.C.C.S.,
Victoria B.C.

Your M-18 Mr.Olive stated you would discuss this question thoroughly with me on Monday May 27th. Do you still intend to do so.

H.G.Letch

Travelling Auditor.

Item No.	TRANSIT PRIVILEGES
①660	**Lumber and Articles taking Lumber Rates, also Shingles, for ↓Kiln-Drying, Milling, Sorting, Storage and Staining in Transit at New Westminster, Port Moody or Vancouver, B.C., and Reshipment; also Milling and/or Staining of Shingles at Marpole, North Vancouver and McKay, B.C., as provided in Paragraphs 12, 13 and 14.**
Application	↓▲1. Shingles or Lumber in straight carloads; mixed carloads of shingles with articles taking same rates and/or articles taking lumber rates, originating at points in British Columbia, Dewdney, B.C., New Westminster, B.C., and west thereof, on Canadian Pacific Railway and connections, may be shipped to New Westminster, Port Moody or Vancouver, B.C., for the purpose of having the shingles, lumber or articles taking lumber rates or a portion thereof kiln-dried, milled, sorted, stored or stained and reshipment made via Canadian Pacific Railway or via Canadian Pacific Railway and connections: (a) To points in Canada, east of Port Arthur and Armstrong, Ont. (b) To points in the United States to which through rates are published in Trans-Continental Freight Bureau Tariffs Nos. 17-T, 18-P and 28-O, I.C.C. Nos. 1568, 1474 and 1545, C.T.C. Nos. 860, 767 and 838, respectively, of W. J. Prueter, Agent.
Rates	2. Full tariff rate and minimum weight, actual weight if greater, will be charged to transit point, and on reshipment, charges will be assessed at the balance of the through rate or rates, in effect on date of original shipment, from point of origin to final destination, subject to minimum weight or per car charge, as the case may be, in accordance with through tariff governing, plus stop-off charge shown in Paragraph 3, and out-of-line haul charge, if any, shown in Paragraph 4.
Stop-off Charge	3. Charge for stop-off will be 3½ cents per 100 lbs.
Out-of-Line Haul and Interswitching Charges	4. (a) When transit point is not in the direct line from point of origin to final destination charge for out-of-line haul will be 2¼ cents per ton of 2,000 lbs. per mile, minimum 20 miles, except as provided in Exceptions 1, 2 and 3. (b) Interswitching charges of connecting railways at transit point will be assessed in addition to other charges, except as provided in Exception 3. **Exception 1.** When origin, transit, and destination points are all competitive, and industry at transit point is served direct by both Canadian Pacific Railway and the competing railway, or is not served direct by either Canadian Pacific Railway or the competing railway, maximum charge for out-of-line haul will be that of the competing railway. **Exception 2.** When origin, transit and destination points are all competitive, and industry at transit point is served direct by Canadian Pacific Railway but not by the competing railway, maximum charge for out-of-line haul will be that of the competing railway plus interswitching charges from interchange to industry and return. **Exception 3.** When origin, transit, and destination points are all competitive, and industry at transit point is served direct by the competing railway but not by Canadian Pacific Railway, the maximum charge for out-of-line haul and interswitching from interchange to industry and return will be the out-of-line haul charge of the competing railway.
Weight Transit Privilege Applicable on	5. The transit privilege will be granted only on the actual weight of the inward shipments to transit point. If the weight of the outward shipment, or the minimum weight applicable thereto, exceeds the actual weight shown in the inward expense bill or bills surrendered, the difference will be charged the local carload rate from transit point to final destination, and such excess may be used to make up the carload minimum.
Inclusion of Shingles, Lumber or Articles taking Lumber Rates at New Westminster, Port Moody or Vancouver, B.C.	6. Shingles, Lumber or articles taking lumber rates, originating at New Westminster, Port Moody or Vancouver, B.C., may be included in outbound transit cars. Such additional commodities will be charged for at the carload rate from New Westminster, Port Moody or Vancouver, B.C., to destination, and such additional weight may be used to make up the carload minimum.

(Continued on next page)

①Rates and Charges in this Item are NOT subject to increases provided in Item A.
↓Reduction. ▲Change.

ISSUED DECEMBER 31, 1956 EFFECTIVE JANUARY 7, 1957
(Filed with I.C.C. for information only)
By S. A. KERR, Chief of Tariff and Division Bureaux, C.P.R. Station, Winnipeg, Man.

Canadian Pacific

C.D. IX

PRINTED IN CANADA

TELEGRAM

WORLD WIDE COMMUNICATIONS

"The filing time shown in the date line is STANDARD TIME at place of origin. Time of receipt is STANDARD TIME at place of destination."

VIA323 RS

VICTORIA BC 22

H G LETCH

1957 MAY 22 PM 4 42

VANCOUVER BC

CONVERSATION DATE WITH MR OLIVE. IT IS OUR DESIRE TO SPEED UP SERVICE IN LOUNGES BY ELIMINATING THE PROVISION OF CASH REGISTER RECEIPTS TO PATRONS. THIS SHOULD PERMIT OF INCREASED SALES AND SHOULD NOT AS FAR AS CAN BE SEEN BE DETRIMENTAL TO COMPANY'S REVENUE. IT IS ALSO DESIRED TO INCORPORATE B C SALES TAX IN THE BAR MENU PRICES AND EFFECT CALCULATION OF TAX ON EACH DAYS CANADIAN SALES BY A BLOCK COMPUTATION AS DETAILED TO YOU VERBALLY. THIS WILL ELIMINATE THE NECESSITY OF USING TAX TOKENS AND WILL INCREASE REVENUES. WOULD APPRECIATE YOUR COMMENTS ON THESE TWO PROPOSED CHANGES M-18

H E MILLER

FORM 101 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Vancouver, B.C., August 31, 1956.

Mr.S.D.Reavely,
Chief, Travelling Staffs,
Montreal, Que.

Liquor Sales - B.C.Coast Service.

Referring to your letters of July 20 and August 23, and returning papers attached to the latter.

Investigation into the differences in revenue in relation to the gross calculated revenue from liquor sales on ships on similar routes was started in Victoria on July 30, at which time I was briefed by Mr.H.E.Millar,Catering Superintendent, Mr.Olive,Assistant to Catering Superintendent, and Mr.E.J.Marsh, Accountant BCCS, on procedure of Chief Stewards, Barmen, and stores operations, and the manner in which the analysis of bar operations statements are compiled.

The differences between earned and calculated revenue from the sale of spirits on ships on similar routes, is so great, that it is difficult to attribute them to incompetent bartending. The analysis of bar operations for month of May shows that the gross calculated revenue from the sale of spirits on the Princess Elaine was 30% less than that of the Princess of Nanaimo. From this it should follow that the overage of the Princess Elaine should have been around $244.30, or 30% less than the overage of the Princess of Nanaimo, which was $348.99, instead of $94.40. From the manner in which the gross calculated revenue from sale of spirits is arrived at, the difference of $149.90 represents the return on approximately fifteen 25 oz. bottles of liquor. Comparing the Princess Patricia and the Princess Marguerite, the latter's gross calculated revenue was 12% less than that of the Princess Patricia, and on this basis the Princess Marguerite should have had an overage of $217.80 instead of $76.80. The difference of $141.00 being equivalent to the return on fourteen 25 oz. bottles of liquor. From figures received from the Accountant BCCS, the calculated sale of spirits on the Princess Jaon were 3% more than that of the Princess Elizabeth, yet the latter ship had an overage of $161.76 compared to $27.92 for the Princess Joan, and in terms of 25 oz bottles this comes to thirteen bottles of liquor.

Spot checks of liquor stocks made by Accountant BCCS on four of these vessels during the month of July show even higher percentages of overages than appear in statement for May and June. As to why percentage of overage at spot check should,in each case, be considerably higher than average for months of May and June on each vessel is not known. It would be rather difficult to reconcile stock figures at spot check with a subsequent stock-taking, and prove that any difference found in this reconciliation did not actually exist at time of spot check.

One theory advanced in explanation of these differences,

is that barmen are able to calculate expected revenue, and by comparing this to actual revenue would know what the excess earnings were. If for some reason a barman wanted to reduce the excess revenue, it could be done by showing less stock than was actually on hand at end of month inventory. Such a practice might be done on one barman, but from the attached statement which shows on three out of four vessels spot checked, a much smaller percentage of overage shows up at end of month, it is too much to assume that three out of the four barmen were manipulating stock. While it is possible, I feel that there may be some other explanation, and hope to look into this further.

In the foregoing the differences between ships on similar routes for month of May were converted into terms of 25 oz.bottles of liquor, the picture as presented is cause for alarm. However, it must be remembered that there is at present no evidence that the figures of the three ships with the high percentage of excess earnings, are in every sense just what they should normally be. Until that can be verified, comparison is difficult and should not actually be made. My reasons for this as as follows. Excess earnings can only come from three sources; (1) the sale of spillage allowance (25 oz.bottles from which 24 one ounce drinks are assumed in calculating revenue); (2) the excess from mixers, such as ginger ale and soda water used, and for which a patron is charged 10 cents for a small amount put into a drink, and the number of such 10 cent charges exceeding the calculated price of the ginger ale or soda water; (3) cocktails, where the charged price is a few cents more than the calculated revenue of liquor and mixer ingredients.

There is yet another factor, and that is with regards to the actual number of drinks (1 oz.) obtained from a bottle by the barman. The required number is 24 from a 25 oz. bottle, 26 from a 26½ oz.bottle, and so on. Experienced barmen will tell you that they get the required amount, and it is hard to question the fact that their skill in pouring liquor would likely make their measures vary to any marked degree. The unskilled barman, he could vary quite a lot. On our BC Coast fleet, there is one barman who had experience beforehand, another took a course after becoming a barman on one of the ships, the balance of them were recruited from room and dining room stewards. The experienced barman will tell you that he always gives his customer proper measure, yet it seems to be common knowledge, that a good barman will get 26 to 27 ounce drinks out of a 25 ounce bottle. If this were the case, the three ships with the highest excess earnings, Princess of Nanaimo, Princess Patricia and Princess Elizabeth, should have the better barmen. This I believe they have - the man on the Princess of Nanaimo has had deepsea experience, the man on the Princess Patricia took a course, and the man on the Princess Elizabeth is considered by the Catering Department, to be quite adept at his new trade.

Examining the excess cash earnings of the Princess of Nanaimo for the month of July, which was $656.75, regardless of how I

look at this figure, I cannot associate it as coming entirely from the three known sources of excess earnings. The calculated sale of spirits amounts to $3,367.35, assuming that this is the approximate return on three hundred 25 oz.bottles of liquor, the barman would have, without allowance for spillage, 300 ounces for sale, which would account for $120.00 to $150.00 of the overage. Cocktails on this ship do not constitute 10% of the spirits consumed, and therefore excess earnings from that type of drink would be less than $100.00. Calculated revenue from mixers is only $296.85, now unless the barman is getting enough soda or ginger ale out of a pint bottle (calculated at 25 cents) for six drinks, the excess earnings of $656.75 could not be achieved, and I am sure it will be agreed on that a proper drink cannot be made with such a small amount of mixer - 2 to 2½ drinks is about all that a barman gets from a pint. Now if we assume that the good barman is getting 26 to 27 one ounce drinks out of each bottle, then the excess earnings from that source would be $240.00 to $300.00, to this add the excess from cocktails and mixers, then the total excess should be around $500.00. Examining the overages of these three ships for months of May, June and July, this line of reasoning seems to hold up.

The theory that these differences are mainly due to mis-handling of liquor stocks is still foremost. At the present time there is only one barman who has been involved in any way which would put him under suspicion. He is the barman on the Princess Joan. Catering Superintendent informed me that several months ago, shortly after month end inventory had been taken, barman claimed that stock had not been properly counted, 3 bottles of gin having been missed. Assistant Catering Superintendent re-checked the stock and found that it agreed with barman's contention, but that three bottles of gin now on hand did not bear rubber stamp impression "BCCS", which storekeeper is supposed to place on all stock received from Government Liquor Vendor. Check of serial numbers on the bottles in question revealed that one bottle might have come from stock received by storekeeper. Serial numbers of bottles in each case are not consecutive as a general rule, and are known to differ by as much as 200. It was on this point that the barman was given the benefit of the doubt. This man is being watched closely and you will see later on where he has been switched to another vessel in an attempt to get a lead on what is the reason for his ship showing the lowest percentage of excess earnings of all ships on local routes.

It was suggested at the start of this investigation that the Catering Superintendent point out these differences to Chief Stewards and barmen on the vessels which are considered below average, and advise then what was expected of them in the way of excess revenue. While this is not the direct type of corrective action which is preferred, it may have some restraining or corrective effect, that is provided the cause of these differences are as assumed, due to some form of mis-handling

of bar stock by employees involved.

As a measure of checking into these differences we discussed switching barmen, particularly one whose overage percentages were low, with one who was known to be a fairly competent barman and who had a high percentage of overage. Such a switch was effected on August 28 between barmen of the Princess of Vancouver and the Princess Joan. The barman of the Princess of Vancouver is considered to be quite competent and has a high percentage of overage. Stock of these ships was checked jointly by Mr.Aird,Assistant Catering Superintendent, Mr. Marsh, Accountant BCCS, and barman, at transfers. The results of this switch as will appear on statement of bar operations at end of September should be helpful in this matter. It has of course been borne in mind, that the result of this depends entirely on whether the barman with the good record will handle the bar on the Princess Joan with the same degree of efficiency as when on the Princess of Vancouver.

With regards to the three points raised in your letter of August 23.

(1) The manner in which Gross Calculated Sales is arrived at is uniform for all ships. All spirits consumed are calculated at the prine per unit ounce, whether consumed straight or in a mixed drink, attached is a list of prices used. Mixers are calculated from consumption, whether direct sales, over the counter or room service, or as part of a mixed drink. ~~(2)~~

(2) As to why the management did not become aware of these differences some time ago. Until this spring all spirits sold on these vessels was in minature bottles, which were easily accounted for. Control of stocks has consisted of monthly stock-taking by Chief Steward and barman, plus periodic spot checks,by a member of Accountant's staff. Since these all showed an overage,stock was assumed to be in order. It was not until the Accountant compiled the comparative analysis of bar operations statement for months of May and June that the differences were brought to light in such a manner as to cause concern.

(3) Statement Group "C" which shows the Princess Louise and Queen of the North with overages of 1.40% and 2.19% for the month of July, while the Princess of Nanaimo, Princess Patricia and Princess of Vancouver have overages of 19.50%, 24.10% and 26.70% respectively for the same month. After looking into the operation on these ships, I believe that the following will be the explanation for their lack of excess earnings.

The Queen of the North had calculated sales of spirits in amount of $354.55, of this amount, $223.10 was bulk liquor, the balance in minatures and wines. From this it follows that if exact measure of bulk liquor was given each patron, there would be approximately 22 ounces available from spillage allowance for sale. This at a 40 cents per ounce figure, would come to $8.80. On this ship barman claims that about 20% of drinks served

are cocktails, of which the major portion are Alexander's, Martinis, Manhattans and Gin Fizzes. Attached is a wine list showing prices of these drinks, pencil figures in left hand margin represent calculated revenue according to amount of liquor in each. From this you will agree that the excess earnings from this source will be very slight. Excess earnings from the sale of mixers would have to be based on calculated sales of $75.00 only. While total calculated sales are $158.95, at least half of these sales are account room service, and on that type of sale there is no excess earnings. Furthermore, it was learned from barman in charge, that when he served a minature to a patron who asked for soda or ginger ale, it was the practice to take a split of soda or ginger ale to the table, and barman was only charging patron 10 cents for the mixer, while same was calculated at rate of 15 cents. On this ship minature sales totalled $100.25, and it is safe to assume that half were with a mixer. This would amount to 50, or a loss of $2.50 in mixer revenue. There was also another point brought to light by the barman on the Queen of the North, and that concerned the patron who ordered his martini extra dry. More Gin and less Vermouth is all the barman can do. Complaints are often made by patrons about Alexander cocktails, the glass used appears only half full. Barman cannot fill it up with more crushed ice, his only course is a small amount more of liquor. While these are not frequent occurances, they do happen, and on the Northern Routes, where people are on the ship for 2 to 8 days at a stretch, it is difficult to operate in any other manner. From the above you will see that the ovarage of $7.75 as reported by Accountant BCCS on statement Group "C" is not very far out of line. The Princess Louise being a similar operation to the Queen of the North, will no doubt be the same.

I have not as yet considered it necessary to check in detail or verify the statements made up by the Accountant.BCCS. There is one feature that I have given consideration to, which concerns the stores, and whether supplies storekeeper's records show as delivered to ships are in accordance with ship's records. Manner in which ships indents are handled would indicate that there is little chance for error. A test check of this would probably require three or four days time, and have therefore left the matter in abeyance for the time being.

The above is the extent of my study and investigation. As points come up or to mind, they will be given attention, and in closing would like to say that the management, particularly the Catering Department, are very much concerned with the differences, and are making every effort to arrive at the solution to the question. I will keep you posted on any further developments or new line of investigation.

Travelling Auditor.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Montreal, August 23, 1956.

Mr. H. V. Allison,
Travelling Auditor,
Vancouver, B.C.

Attached you will find further correspondence received from the Auditor of Disbursements relative to the sale of liquor on the B.C.C.S.S. boats.

Frankly, Iam afraid something is seriously wrong with the way this operation is being handled and it seems to me that the management should have found out before this what is causing these overages and why two vessels seem to be so close and the other three so far off. It could be that the two boats are the ones to watch the more carefully. It would also appear that the trouble may be that the method of arriving at Gross Calculated Sales is either wrong or it is not being applied uniformly although this appears to be a remote possibility if I read the attached letter properly.

In any event, something is definitely wrong and you are asked to get to the bottom of it as quickly as possible and let me have your report.

S D Leavely
Chief, Travelling Staffs.

P.S. Please return attached papers with your report.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B.C., August 27th, 1956. -m

H.V. Allison, Esq.,
Travelling Auditor,
Vancouver, B. C.

Dear Sir:

As requested by you in our telephone conversation of today's date, I am indicating hereunder the details of certain bar sales on our Northern vessels for the month of July, 1956:

	PRINCESS LOUISE		QUEEN OF THE NORTH	
	Units	Sales	Units	Sales
Spirits and Liqueurs - Miniatures	395	$357.40	118	$100.25
Spirits and Liqueurs - Bulk Units	717	$356.00	515½	$223.10
Wine - Bulk Units	146	$70.50	58 2/3	$ 31.20
		783.90		354.55

Yours truly,

Catering Superintendent.

FORM 2521 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

Victoria, B. C., August 3/56.

H.V.Allison, Esq.,
Vancouver, B. C.

Herewith statement of bar operations BCCS. Sorry, but I was diverted to another subject by the Superintendent and was unable to let you have this earlier. I was hoping to enclose some figures on actual bar operations for July to compare with spot check results, but have been unable to get my hands on them at this date.

Regards,

G Marvel

C A N A D I A N P A C I F I C R A I L W A Y C O M P A N Y
British Columbia Coast Steamship Service

ANALYSIS OF BAR OPERATIONS FOR THE MONTHS MAY - JULY 1956

May 1956	CASH	GROSS CALCULATED SALES	SPIRITS	BEER & ALE	SANDWICHES MIXERS ETC	OVERAGE	% OVERAGE TO SPIRITS
"Pr. Marguerite"	$ 2,382.45	$ 2,305.65	$ 1,056.05	$ 1,149.40	$ 100.20	$ 76.80	7.27
"Princess Pat"	2,730.10	2,482.60	1,192.25	1,187.50	102.85	247.50	20.76
"Pr. of Nanaimo"	5,480.49	5,131.50	1,816.35	3,144.20	170.95	348.99	19.21
"Pr. Elaine"	4,444.60	4,350.20	1,278.30	2,927.00	144.90	94.40	7.38
"Pr. Elizabeth"	1,315.17	1,153.30	463.30	651.05	38.95	161.87	34.94
"Pr. Joan"	1,117.87	1,089.95	480.55	568.35	41.05	27.92	5.81
TOTAL	$ 17,470.68	$ 16,513.20	$ 6,286.80	$ 9,627.50	$ 598.90	$ 957.48	15.23
June 1956							
"Pr. Marguerite"	$ 3,973.65	$ 3,765.40	$ 1,892.95	$ 1,658.15	$ 214.30	$ 208.25	11.00
"Pr. Patricia"	4,094.41	3,761.10	1,791.80	1,795.70	173.60	333.31	18.6
PPr. of Nanaimo"	7,510.45	7,018.50	2,789.50	4,062.30	166.70	491.95	17.64
"Pr. Elaine"	4,619.70	4,548.40	1,555.50	2,840.65	152.25	71.30	4.58
"Pr. Elizabeth"	1,675.55	1,477.79	683.40	733.60	60.79	197.76	28.93
"Pr. Joan"	1,528.90	1,456.15	689.75	711.25	55.15	72.75	10.55
	$ 23,402.66	$ 22,027.34	$ 9,402.90	$ 11,801.65	$ 822.79	$1375.32	14.63

Results of a spot check taken at Vancouver on June 22nd, 1956 - covers business up to June 21st.

Jun 22	"Pr. Patricia"	$ 2,579.24	$ 2,255.15	$ 1,100.95	$ 1,042.95	$ 111.25	$ 324.09	29.44
Ju 23	"Pr. Marguerite"	4,589.25	4,141.60	1,780.95	2,108.40	252.25	447.65	25.14
July 25	"Pr. Elaine"	4,334.00	4,054.90	1,057.05	2,882.05	115.80	279.10	26.4
July 26	"Pr. Elizabeth"	1,648.01	1,413.50	618.40	725.10	70.00	234.51	37.92
July 26	"Pr. Joan"	1,187.00	1,099.10	473.55	576.65	48.90	87.90	18.56
		$ 11,758.26	$ 10,709.10	$ 3,929.95	$ 6,292.20	$ 486.95	$ 1,049.16	26.69

VICTORIA, B. C. AUGUST 2nd, 1956.

FORM 102A

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Montreal, July 20, 1956.

Mr. H.V. Allison:

Herewith you will find copy of a letter and attachments received today from the Auditor of Disbursements which points up a peculiar situation.

Kindly arrange to go into this matter thoroughly, and let us have your report as soon as possible.

S D Reavely

for Chief, Travelling Staffs.

COPY

FORM 102A

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM C-157991-14

PRIVATE

Montreal, July 19, 1956.

Mr. M.C. Barber:

Attached is a memorandum and statement covering liquor stocks and sales on B.C. Coast Steamers for the months of May and June 1956.

You will note that the cash deposits exceed the gross calculated sales.

It would be advisable to have a check made by one of the Travelling Auditors at the first opportunity, before this gets out of hand.

(Signed) D.E. MACDONALD,

Auditor of Disbursements.

COPY

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14188

Victoria, B.C. July 13, 1956.

CONFIDENTIAL

Memo: Mr. H. Tyson, Superintendent, BCCS, Victoria.
Mr. H.E. Miller, Catering Supt., "

Re: Liquor Sales

Attached you will find a statement of liquor operations for the months of May and June 1956.

Your attention is specifically drawn to the wide fluctuation in cash overages on the ships under review. Ships in identical services have been taken: "Pr. Marguerite" and "Pr. Patricia" on the Triangle service and the "Pr. of Nanaimo" and "Pr. Elaine" on the Vancouver-Nanaimo route. Percentage of overage has been calculated on the total sale of spirits and it would appear reasonable to expect a somewhat similar percentage to prevail in the same service.

Please note results of a spot check carried out by Mr. Hird and a member of this department on June 22nd at Vancouver on board the "Pr. Patricia".

The situation will be further developed by this office later this month and statement is submitted for your preliminary information.

Accountant, BCCS.

COPY

CANADIAN PACIFIC RAILWAY COMPANY
British Columbia Coast Steamship Service

ANALYSIS OF BAR OPERATIONS FOR THE MONTHS - May-June/56

May 1956	CASH	GROSS CALCULATED SALES	SPIRITS	BEER & ALE	SANDWICHES MIXERS ETC	OVERAGE	%
"Pr.Marguerite"	$2,382.45	$2,305.65	$1,056.05	$1,149.40	$100.20	$ 76.80	7.27
"Pr. Patricia"	2,730.10	2,482.60	1,192.25	1,187.50	102.85	247.50	20.76
"Pr. of Nanaimo"	5,480.49	5,131.50	1,816.35	3,144.20	170.95	348.99	19.21
"Pr. Elaine"	4,444.60	4,350.20	1,278.30	2,927.00	144.90	94.40	7.38
TOTAL	$15,037.64	$14,269.95	$5,342.95	$8,408.10	$518.90	$767.69	14.37
June 1956							
"Pr.Marguerite"	3,973.65	3,765.40	1,892.95	1,658.15	214.30	208.25	11.00
"Pr.Patricia"	4,094.41	3,761.10	1,791.80	1,795.70	173.60	333.31	18.6
"Pr. of Nanaimo"	7,510.45	7,018.50	2,789.50	4,062.30	166.70	491.95	17.64
"Pr. Elaine"	4,619.70	4,548.40	1,555.50	2,840.65	152.25	71.30	4.58
	$20,198.21	$19,093.40	$8,029.75	$10,356.80	$706.85	$1,104.81	13.75
Results of a spot check taken at Vancouver on June 22nd, 1956 - covers business up to June 21st.							
"Pr. Patricia"	$2,579.24 +	$2,255.15	$1,100.95	$1,042.95	$111.25	$324.09 x	29.44
						30%	27.3

Victoria, B.C., July 13th, 1956.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G-187053
Spl. 565C

Montreal, November 17, 1955.

Mr. H.G. Letch:

S.V. Walker has reported on your joint discussion with Capt. Williams on November 7 on the matter of handling beverages on the Princess boats and from his report I gather that, on the whole, you were both relatively satisfied with what is being done. Mr. Walker did make two recommendations with respect to stock-taking which seem to have much in their favour and these are being given to Williams for consideration.

I have underscored a part of Mr. Walker's report which makes sense to me. We have been sending Travelling Auditors on these boats to check Pursers and it seems to me his duties should end there and the control of liquor stock and revenues belongs to the internal staff of B.C.C.S.S. Whether they do a good job of it or not will be ascertained by the Railway representative who conducts the annual audit of the B.C.C.S.S. as an operation. From your standpoint, I think, in future, your only concern with the beverage question on these boats will be to assure yourself that the Purser has accounted for all the cash receipts turned over to him from that source and beyond that it will be Captain Williams' responsibility for the control of the operation.

M C Barber

Chief, Travelling Staffs.

COPY

FORM 101 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

VICTORIA, B.C.
November 8, 1955.

Mr. M.C. Barber:

B.C.C.S. - Beverages

Reference-File G-187053, October 25 and November 2, and CTS-186, October 21, 1955.

As instructed, Mr. Letch and myself visited the offices of B.C.C.S. on Monday, Nov. 7, to see Capt. Williams and review in a general way the beverage controls in effect.

The following is submitted in respect of this assignment:

(a) Capt. Williams' letter of Oct. 17 appeared to be a misrepresentation of what he intended and while he signed the letter it apparently was dictated by a member of his staff. Briefly the situation is that a special staff of the Investigation Department conducted an on the spot survey of activities of the bar staff on each vessel and submitted a detailed report to the Vice-President, Mr. Manson, who in turn forwarded the report to Capt. Williams for comments and any corrective action necessary. Some of the main points raised by the Investigators were:

1. Miniature bottles of liquor being sold at tables with seals being broken at bar counter instead of at the tables.
2. Register slip not being presented to patrons.
3. Delay in opening of bar, on one occasion 15 mins. late.
4. Waiter not wearing his identification badge.

From perusal of the file it would appear that satisfactory explanations were obtained in all points raised in the report and in my opinion these explanations were sound and reasonable.

The point Capt. Williams appeared to have in mind for Mr. Letch to review was in respect of items 1 and 2 above. In this connection, instructions are in effect on each boat that bottles are to be opened at the table in front of patrons and that cash register slip must be presented to customer when collecting the cash. While the purpose behind these instructions is good, in my opinion no harm is done if the practice is not followed. This is not to be construed as suggesting that the regulations should be discontinued.

COPY

FORM 101

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

My first thought was that there was some suspicion that bar staff were bringing their own liquor on the boat and refilling miniatures for sale as company stock. From the file and from conversation there was nothing to suggest that there were any fears along this line.

It is understood that consideration will be given to placing cash register in such a position that the amount being rung up can be readily seen by the customers.

(b) With respect to beverage controls, the review of records disclosed that the procedure outlined in report by Mr. Drummond under date of November 3, 1954, is being followed at the present time.

There are of course several improvements in the preparation of the various records, for instance a regular Bar Report (BCCS 134) has been printed and has been in use for some months. It was also noted that the forwarding of the cash register tape to the Catering Superintendent at Victoria had been discontinued but Mr. Letch had noticed this fact on one of his checks and had the practice re-instituted. Another difference from the report is that all vessels now have facilities for dispensing liquor, wine and beer.

On page 4 of the report it was suggested that the Chief Steward make a complete stock report once a week. I am not aware whether any action was taken on the suggestion but it does not appear to be in operation at the moment. The Chief Steward submits a stock report at the end of the month by vessels and I would be inclined to agree that this is sufficient. The suggestion dealing with overages on BCCS 6 is being followed.

With reference to page 5, second paragraph, of report. Some doubt exists in my mind as to the advantage of the Travelling Auditor checking the cash or taking a machine reading in the bar, other than to examine the receipts given to the bar attendant by the Purser, for cash removed, and count of the bar float, if any, to verify that disbursement by the Purser. For instance, if the Travelling Auditor checks the bar attendant before the bar is opened there is no cash register reading, having been cleared the night before, and the only cash on hand would be the authorized float. Further the submission of liquor stock report by the Travelling Auditor to the Catering Superintendent, as considered, would appear to be the assumption by the Travelling Auditor of duties which rightly should be performed by internal staff.

COPY

FORM 101 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

My discussion with you in Montreal dealt with the procedure to be followed by the Travelling Auditor if he were to check the bar attendant. This, however, I now understand is not one of his functions but rather that he checks the Purser of the ship and any dealings with the bar attendant would only be in relation to exchanges between the bar attendant and the Purser, i.e., collections from the bar and provision of working float. If my understanding in this matter is correct then a stock count by the Travelling Auditor would seem unnecessary.

The Catering Superintendent is charged with the responsibility for ordering, receiving, issuing and recording of all liquor stocks, checking of weekly and monthly reports by ships and preparation of final figures for submission to the Accountant for his statements. No check of stocks is made by the Catering Supt. either of the Storeroom at Vancouver or on the ships, the monthly figures submitted by the Chief Steward on each ship and the Commissary Clerk at Vancouver being accepted as correct.

Subject to the implementation of the following recommendations, from my observations and explanations received, in my opinion the records and controls established by the Catering Supt. and presently in effect adequately protect the Company's interests.

Recommendation

1. Verification by physical count, preferably by internal staff of BCCS distinct and separate from staff of Catering Supt, logical member to be from staff of the Accountant, on following basis:

   (a) Beverage Stock, Vancouver, minimum of three times each year, one of which to be on Oct. 31.

   (b) Beverage Stock, each ship, minimum of six times each year, one of which to be on Oct. 31.

2. Verification by physical count of all beverage stocks by railway representative performing yearly audit of BCCS accounts.

(Sgd.) S.V. Walker
Travelling Accountant.

Note: I might add that Mr. Miller, Catering Supt. is deeply appreciative of the constructive suggestions and advise given by Mr. Letch and has stated that he has been most cooperative at all times.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM November 17, 1955.

G-187053
Spl. 565C

Captain O.J. Williams,
Manager, B.C. Coast Steamship Service,
VICTORIA, B. C.

Dear Sir:

Travelling Accountant S.V. Walker and Travelling Auditor H.G. Letch visited your offices on November 7 and discussed with you certain features connected with the handling of beer, wine and spirits on the Princess boats, and the following recommendations are advanced for your consideration:-

1. Verification by physical count, preferably by internal staff of B.C.C.S.S. distinct and separate from staff of Catering Superintendent, logical member to be from staff of the Accountant, on following basis -

   (a) Beverage Stock, Vancouver, minimum of three times each year, one of which to be on Oct. 31.

   (b) Beverage Stock, each ship, minimum of six times each year, one of which to be on Oct. 31.

2. Verification by physical count of all beverage stocks by railway representative performing yearly audit of B.C.C.S.S. accounts.

I shall be glad to have your comments on the suggested procedures at your convenience.

Yours truly,

Chief, Travelling Staffs.

Mr. H.G. Letch:

Vancouver B.C. November 8th.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

B.C.C.S. Cocktail Lounges & Bar Receipts.

In accordance with instructions in your file G-187058 of October 25th. I joined Mr.S.V.Walker, Travelling Accountant, In making a survey of the B.C.C.S. Cocktail Lounge & Bar accounting prccedure on Monday November 7th. You will be receiving Mr.Walker's report covering in due course.

Travelling Auditor.

Report #1939

PRINTED IN CANADA 12-40

A.A. 30

CANADIAN PACIFIC RAILWAY COMPANY

Mr. .... 19 .....

.....

.....

Will you kindly show below the forms and numbers of all UNSOLD tickets of this Company's issue supplied you by General Agent ..... and which you still have on hand.

I enclose stamped addressed envelope for prompt reply.

..... Travelling Auditor.

FORM NO.	COMMENCING NO.	CLOSING NO.	FORM NO.	COMMENCING NO.	CLOSING NO.
7 (deposit)					
20 (deposit)					
A 2					
A 3					
A 4					
E 1					
E 3					
P 4					
P 6					
P 8					
P 18					

The above Tickets are on hand this date

Date ..... 19 .... Agent.

C A N A D I A N P A C I F I C R A I L W A Y C O M P A N Y

British Columbia Coast Steamship Service

Victoria, B. C., November 14th, 1955.

File: 14118

TO:

PURSERS
CHIEF STEWARDS

Regarding cocktail lounge operations on B. C. Coast Service vessels.

It has been drawn to my attention that on occasions Chief Stewards are not present when the Purser is taking the cash register readings and checking the cash.

While it is understood that on any occasion the Purser only collects the cash and gives a receipt to the bartender, it is not necessary for the Chief Steward to be present. When, however, the final readings are taken at the close of the operation and the balance of the cash is collected by the Purser, then on this occasion the Chief Steward must be present.

The tape covering the reading taken by the Purser from the cash register must accompany the bar report submitted daily to the Catering Superintendent.

H. TYSON

Superintendent.

cc - H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

This has reference to conversation November 2nd with Mr. Tyson.

O. J. Williams
Manager.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM - 14118 -

Victoria, B. C., November 7th, 1955. -e.

W. Manson, Esq.,
Vice-President,
Vancouver, B. C.

Dear Sir,

Further to my letter of November 4th regarding cocktail lounges on B.C.C.S. vessels.

A further meeting was held with Mr. H. G. Letch, along with Mr. S. V. Walker, Travelling Auditor, Montreal. The matter of handling receipts, cash, etc. was fully discussed with them, at which time my Superintendent and Catering Superintendent were present.

Messrs. Letch and Walker checked our records in order to assure themselves that the present accounting system is satisfactory. Before leaving, they mentioned that they were. Mr. Walker stated that he felt there was very little value in issuing receipts to patrons under present conditions where one receipt is issued covering drinks served to several patrons, and in due course would be submitting his report to Montreal. He did mention the fact that as long as the cash registers indicated the total amount of sales, which readings were not available to the bartender acting as cashier, and only to the Purser who checked the readings with the cash at the end of each day, this system should protect the company's interest. I mentioned

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

- 14118 -

FILE OR CLAIM

Victoria, B. C., November 7th, 1955. -e.

W. Manson, Esq. - 2 -

to him that an independent check was recently made by the Department of Investigation and that similar checks may be made from time to time, which would act as a deterrent to any employee mishandling the company's funds.

It was arranged with Messrs. Letch and Walker to have a monthly independent check made by our statistician of the cash readings submitted monthly by the Pursers against the bartenders' reports. Mr. Letch, Travelling Auditor, will be advised each month that such a check has been made.

Mr. Walker, during the discussion, asked what protection we were giving to ensure that the bartender was not substituting an inferior grade of liquor for one of the higher grades. He was informed that each bottle of liquor is stamped "B.C.C.S." over the label and that from time to time the Chief Steward, Second Steward or Catering Superintendent, makes a check of the lounge operations to ensure the bottles are not being substituted. He was satisfied with this arrangement.

Yours truly,

cc - H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

Manager.

For your information.

O. J. Williams

Manager.

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM - 14118 -

Victoria, B. C., November 4th, 1955. -e.

W. Manson, Esq.,
Vice-President,
Vancouver, B. C.

Dear Sir,

Further to my letter of October 31st, your file P.F.568, regarding operation of cocktail lounges on B. C. Coast Steamship Service vessels.

At the present time miniatures are being used in the cocktail lounges. It is expected that certain stock of miniatures will be exhausted within the next few months, and at that time the large bottles only will be used. We are endeavouring to have the S.D. & P.C. Department take over the remainder of the stock. In the meantime, on the Princesses "Elaine", "Elizabeth", "Joan" and "Princess of Vancouver", the large bottles only will be used and the sale of miniatures will be confined to the "Princess of Nanaimo" where there is the largest volume.

As soon as this takes place, the difficulty which is being experienced by the lounge waiters in opening the miniature bottles in the presence of the passengers will be eliminated. Definite instructions have been issued to ensure that there is no violation of this regulation.

Mr. Tyson, as he mentioned to you on November 2nd, fully discussed this matter with Mr. H. G. Letch, Travelling Auditor, Vancouver.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM - 14118 -

Victoria, B. C., November 4th, 1955. -e.

W. Manson, Esq. - 2 -

Mr. Letch agrees that a problem exists with respect to the issuance of checks. As previously mentioned, in some cases one check is issued covering several orders which may be placed by one patron. In other cases, as the lounge waiter is proceeding to the counter, he receives several orders en route and gives the one order to the bartender.

The Travelling Auditor feels that to change the present system would only slow down the operation, and is of the opinion it would be necessary, in order to overcome this difficulty, to have an employee act only as cashier, instead of in the dual capacity of bartender and cashier.

A further meeting will take place with Mr. Letch next week.

Yours truly,

M a n a g e r.

cc - H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

For your information.

O. J. Wilkinson
Manager.

Vancouver B.C. October 31st.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

B.C.C.S. Cocktail Lounge & Bar Receipts.

With reference to your file G-187058 of October 25th. and further to mine of October 20th. re above.

While in Victoria last week I made enquiries as to why Captain O.J.Williams letter of October 17th. was written. By examining the file, I found a complaint had been registered by Mr.W.Manson, Vice-President, to the effect, individual bottles were not being opened by the stewards in the presence of the patrons, which disturbed him in regards to our bar licenses. He also noted that stewards were not presenting patrons with the sales slips covering sales rung up on the cash registers.

As you know, these facts were not mentioned in the letter which I received.

This for your information.

Travelling Auditor.

PRINTED IN CANADA 12-40

A.A. 30

CANADIAN PACIFIC RAILWAY COMPANY

Mr. .... 19 .....

.....

.....

Will you kindly show below the forms and numbers of all UNSOLD tickets of this Company's issue supplied you by General Agent ..... and which you still have on hand.

I enclose stamped addressed envelope for prompt reply.

..... Travelling Auditor.

FORM NO.	COMMENCING NO.	CLOSING NO.	FORM NO.	COMMENCING NO.	CLOSING NO.
7 (deposit)					
20 (deposit)					
A 2					
A 3					
A 4					
E 1					
E 3					
P 4					
P 6					
P 8					
P 18					

The above Tickets are on hand this date

Date ..... 19 .... Agent.

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G-187058

Montreal, October 25, 1955.

Mr. H.G. Letch,
Travelling Auditor,
VANCOUVER, B. C.

B.C.C.S. Cocktail Lounge
and Bar Receipts

I have your letter of August 20 to which was attached copy of a letter from O.J. Williams requesting a survey be made of the cash handling procedures on the vessels operating cocktail lounges and bars.

Travelling Accountant, S.V. Walker, is presently on an assignment in Victoria and since he has had considerable experience in this type of operation, I am writing him to-day and asking him to see Mr. Williams and discuss the handling of such revenues and also the steps taken to protect stocks on the boats. I am also asking him to get in touch with you so you can go over to Victoria and sit in on these discussions when they take place.

I am writing Mr. Williams to-day telling him that he may expect a visit from Mr. Walker.

M. A. Barber

Chief, Travelling Staffs.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM October 25, 1955.

G-187058

Captain O.J. Williams,
Manager,
B.C.C.S.,
VICTORIA, B. C.

B.C.C.S. Cocktail Lounge
and Bar Receipts

Dear Sir:

Travelling Auditor H.G. Letch of Vancouver has forwarded your letter of October 17, file 14118, and since one of our Travelling Accountants, Mr. S.V. Walker, is presently working on an assignment in Victoria, I am asking him to get in touch with you regarding the protection of the stocks in and the revenues from the lounges and bars on your vessels. Mr. Walker has had considerable experience with such matters and his opinion should be useful.

All assignments to both our Travelling Auditors and Accountants, of necessity, must be given through this office and should any occasion arise in future where you feel an auditor's services are required, it will be appreciated if you will direct your request to us here and we will do our best to be of assistance, if we can.

Yours truly,

Chief, Travelling Staffs.

cc- Mr. H.G. Letch, T.A.,
VANCOUVER, B.C.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G-187058

Montreal, October 25, 1955.

Mr. S.V. Walker,
Travelling Accountant,
c/o Empress Hotel,
VICTORIA, B. C.

B.C.C.S. Cocktail Lounge
and Bar Receipts

Attached you will find copy of a letter from O.J. Williams of B.C.C.S. to Travelling Auditor H.G. Letch asking that a survey be made of the cash handling procedures being followed on the various vessels operating cocktail lounges and bars.

It is not at all clear why Capt. Williams desires such a survey made at this time and it would be appreciated if you would be good enough to go into the matter with him and find out what is in his mind and also let me know whether this liquor operation is being handled in a satisfactory manner or not; in light of your experience with hotels.

When you are ready to meet with Mr. Williams, you might wire Travelling Auditor Letch, at Vancouver, who normally checks these boats and have him come over to Victoria and sit in on the discussions in order that he may likewise gain from your hotel experience in the handling of such matters.

It is not intended that you should undertake any audit of individual boats but merely to find out what is being done, in a general way, and advise whether you see weaknesses in the manner in which the operation is being handled.

Chief, Travelling Staffs.

cc- Mr. H.G. Letch, T.A.,
VANCOUVER, B. C.

Vancouver B.C. October 20th.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

B.C.C.S. Cocktail Lounge & Bar Receipts.

For your information, I am attaching hereto, Captain Williams' file 14118 of October 17th. re above.

Just why they want such a survey made at this date I do not know. Insofar as I am aware they have always appeared quite happy with the procedure put in effect when the lounges were inaugurated and also very pleased with the revenue which has been derived from same.

Will you kindly advise what your wishes in this matter are.

Travelling Auditor.

PRINTED IN CANADA 12-40 A.A. 30

CANADIAN PACIFIC RAILWAY COMPANY

Mr. .... 19 .....

.....

.....

Will you kindly show below the forms and numbers of all UNSOLD tickets of this Company's issue supplied you by General Agent ..... and which you still have on hand.

I enclose stamped addressed envelope for prompt reply.

..... Travelling Auditor.

FORM NO.	COMMENCING NO.	CLOSING NO.	FORM NO.	COMMENCING NO.	CLOSING NO.
7 (deposit)					
20 (deposit)					
A 2					
A 3					
A 4					
E 1					
E 3					
P 4					
P 6					
P 8					
P 18					

The above Tickets are on hand this date

Date ..... 19 .... Agent.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G - 187053

Vancouver, November 3, 1954.

Mr. A. W. Blackler,
Auditor of Agencies,
Montreal, Que.

Sale of Liquor on B.C.C.S. Steamers.

With reference to your letter of September 29, file G-187053.

At the present time there are six steamers engaged in passenger service on B.C.C. Service of which there are two, the "Princess Norah" and "Princess of Alberni", on which no provision has yet been made for the sale of liquor or of beer and wine.

Of the remaining vessels at present in service, cocktail bars have been installed on the "Princess of Nanaimo" and "Princess Patricia" for the sale of liquor in addition to beer and wine and no service is provided in the dining room or coffee shops of these vessels. On the "Princess Elizabeth and "Princess Joan", light wines and beer are sold only in the dining saloon, along with meals, and no liquor is available for sale on these vessels.

On all these operations, cash registers are being used to record the sales and revenue checks, Form BCS 17x21, are not in use for sale of liquor or beer and wine on any of the vessels.

On the "Princess of Nanaimo" and "Princess Patricia" the bar attendant is in charge of the stock and the dispensing of the liquor from the bar either to the lounge waiter or direct to a customer seated at the bar. When the lounge waiter takes an order from the customer seated at a table, he immediately pays the amount of the purchase to the bar attendant who then rings up the amount on the cash register and the register slip is available for the customer when the waiter collects the money on serving the drink. It is therefore necessary for the waiter to have a small cash float to start operations and this is constantly in use during the period

Mr. A. W. Blackler,

the bar is open for business. A wine list is available at each table and the individual bottles are opened at the table at the time of purchase by the customer.

On the "Princess Elizabeth" and "Princess Joan" where beer and wine are served with meals in the dining saloon, the head waitress is responsible for the stock, which is kept in the adjoining locker room, and also for the serving of the customers. The amount of each sale is rung up by her on the cash register which is installed in the locker room.

The Purser of each vessel retains the keys of all the cash registers used for liquor sales and takes a daily reading with the Chief or Second Steward. The cash from the register is at the same time removed by the Purser and is balanced with the cash register reading. The Daily Bar Report, Form B.C.C.S.6, is then completed by the Chief Steward using the figures shown on the cash register reading and the original copy of this report is submitted to Purser for inclusion on Balance Sheet. A copy of the report, with the cash register tape, is forwarded to the Manager of B.C.C.S. at Victoria for the information of the Catering Superintendent.

The stock of liquor and beer and wine used to supply the steamers is under the jurisdiction of the Catering Superintendent of B.C.C.S. and is stored at Vancouver under the control of a commissary clerk of his department. The stock is maintained by requisition and purchase on a B.C. Government Order Form LCB 507-L. The original and one copy of this form are forwarded to C.P.R. Purchasing Agent, one copy to Catering Superintendent and one copy retained on file. The copies which are sent to the Purchasing Agent are returned to the commissary clerk together with two copies of Purchasing Department Issue Order Form PD1 and an emergent voucher from Local Treasurer for the amount of the purchase. The original and copy of Form LCB 507-L are then presented at Liquor Control Board store together with the voucher and the Purchasing Department order forms are stamped paid by the Liquor Control Board and returned

Mr. A. W. Blackler,

to the Purchasing Agent on receipt of the order.

The commissary clerk maintains a stock record on Form 1223 and makes issues to the bar attendants on presentation of a Bar Indent signed by the Chief Steward. This issue is then posted against the stock record on Form 1223 and a monthly stock report is completed by him and submitted to the Catering Superintendent of B.C.C.S. at Victoria. Any breakages which occur while the stock is under the control of the commissary clerk are replaced directly by the brewery concerned.

On the steamers, the bar attendant who is under the jurisdiction of the Chief Steward is held directly responsible for the stock. When additional stock is required a Bar Indent is completed and signed by the Chief Steward, the original copy of which is presented to the commissary clerk, two copies forwarded to the Catering Superintendent and one copy retained on file. The bar attendant completes a weekly stock report and the Chief Steward also compiles a stock report at the close of each month and the reports are forwarded to the Catering Superintendent. On these stock reports, credit is taken for any breakages which might occur on board the steamer.

From the foregoing it would therefore appear that the Catering Superintendent at Victoria has a complete record of purchases, sales, cash proceeds and stock on hand. From the stock report submitted by bar attendant, he will have available the actual total sales from stock and this should balance with the cash removed from cash register during the same period, subject of course to errors in making change and possible overages account measuring of mixed drinks from bulk bottles.

I do not believe that the use of a revenue check such as Form BCS 17x21 would be possible on the steamers where the cocktail bars are in operation without adding to the present staff. At the present time the bar attendant serves the drinks to patrons at the bar, mixes drinks and serves the

Mr. A. W. Blackler,

waiters with bottles of beer or liquor and also acts as cashier. You will appreciate that bottled beer makes up a large portion of the sales and if it were necessary to complete a revenue check for each sale the extra time required might seriously curtail the sales during a busy voyage. The operations on the "Princess Elizabeth" and "Princess Joan" are of a minor nature in comparison however I feel that the system used should be kept as uniform as possible.

Of the ships at present out of service for the winter season, the "Princess Marguerite" is equipped with a cocktail bar similar to the "Princess Patricia". The "Princess Louise" apparently operated on a system similar to that of the "Princess Elizabeth" although definite instructions should be given prior to her resuming for the summer season. The "Princess Elaine" is at present undergoing repairs but will eventually take over on the Vancouver-Nanaimo route replacing the "Princess Patricia" and it is expected that a cocktail bar will be installed.

If it is decided that the present system be retained, I would suggest that the Chief Steward be required to make a complete stock report at least once a week. When the Purser takes the cash from the register and an overage develops against the cash register reading, I would suggest that the amount of the overage be shown on the Bar Report Form BCCS 6 as a separate item and included with the Bar Report Sales as it may reflect on the over all balance of the stock for the period. However, if under similar circumstances a shortage appears, it would seem that this would be an error in making change and that the bar attendant should be held responsible.

The apparent opportunity for the bar attendant to reduce portions when serving from bulk bottles and in this way make available overages for sale would appear to be reduced to a minimum by the use of individual bottles of liquor and beer. I do not see where the use of a revenue check would add any

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Mr. A. W. Blackler,

additional control over the operation of the cocktail bar provided the present system of having an attendant directly responsible for the stock and sale is maintained.

It would appear necessary for Travelling Auditor to take a reading of the cash register in the cocktail bar or dining saloon when in future he makes an audit of the Purser's accounts on board a steamer. If you consider it would be advisable for him to also make a check of the liquor stock on hand and submit a report to the Manager of B.C.C.S. for verification by the Catering Superintendent, I presume you will advise Mr. Letch accordingly. However, it should be borne in mind that the travelling auditor does not make any examination of the News Agent's stock or cash account other than to verify that all remittances from the News Agent to the purser during the current period have been included in the Purser's balance and this would appear to be in the same category. I believe that an employee of the Catering Department makes a monthly stock check of the News Agent's accounts on the vessels and it might be considered advisable to have this employee, or another member of the Catering Department staff, make an independent stock check of the bar account each month.

I am enclosing for your information copies of the following forms at present in use:

Beverage Stock Report compiled by Attendant and Chief Steward.
Beverage Stock Report compiled by Commissary Clerk.
Bar Indent Book.
Stock Record Form 1223.

Travelling Auditor.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G-172930 Spl. 565C

Vancouver B.C. May 16th.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

S/S "Princess of Nanaimo" - Report #1890

With reference to yours of April 29th. re above.

Your remarks have been noted. However, considerable difficulty would be experienced by the Travelling Auditor, in visiting the offices of the B.C.C.S. prior to the audit of each ship, and obtaining from the accounting records there, the value of such stocks which are supposed to be on hand, as these offices are in Victoria B.C. and it would require a night and a day to make such a trip. There would also be the possibility of the surprise element of the audit being voided, due to the fact that Ships' Stewards are always in and out of the Department from which this information would have to be obtained.

I am attaching hereto, a sample of a stock list at present used by the Chief Stewards for the reporting of stock on hand. As an alternative, I would suggest Travelling Auditors be furnished with a supply of these forms, to be used by them when checking the stock. The columns headed "Remains", "Received" and "Total", to be left blank by the Travelling Auditor, for use by the Catering Department of the B.C.C.S. and the column headed "Stock on Hand" be completed by the Auditor. This stock list would be forwarded to you, or could be forwarded direct to the Manager, B.C.C.S., which ever suited you best. The stock list would then be checked by the Catering Department against there records in a similar manner to that used by our own A.P.R. in checking Travelling Auditors' ticket stock lists. Any variances which might be found would of course be reported by the B.C.C.S. to you.

Again, as already mentioned by me, the check of bar stocks would have to be a special feature, as it could only be attended to during such time as the bar was closed. If as stated by you, the bar check should be incorporated in my regular audits, it would be necessary for me to have an assistant to take care of the bar, while I take care of the Purser's Office, Coffee Shop, Lockers etc.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G-172930 Spl. 565C

Mr.M.C.Barber;

I would also have to arrange to commence all audits at such a time as the bar would be closed to avoid confusing the bar staff and causing inconverience to our patrons. I might also mention these bars are proving to be an excellent source of revenue and the bar of the "Princess of Nanaimo" is to be enlarged to accommodate one hundred and sixty-four persons at one sitting.

Would appreciate hearing from you further.

Travelling Auditor.

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Montreal, April 29, 1955.

Mr. H.G. Letch,
Travelling Auditor,
VANCOUVER, B. C.

S/S "Princess of Nanaimo"
Report No. 1890

I have your letter of April 21 and it is the considered opinion here that the travelling auditors should include a stock-taking of beer, wines and liquors on the B.C.C.S. boats when making their usual visits.

The proper procedure would appear to be for the auditor to first visit the office of the B.C.C.S. and obtain from the accounting records there the value of such stocks which are supposed to be on the boat about to be visited and then it should not be a very difficult task to reconcile the actual stocks found aboard with the figure obtained from the perpetual inventory records. Any variances which are found should be reported upon to this office.

Please arrange to incorporate this feature in your future audits of the boats involved and if there are any points upon which you are not clear please do not hesitate to ask for clarification.

M D Barber

Chief, Travelling Staffs.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Vancouver B.C. April 21st.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

S/S "Princess of Nanaimo" - Report #1890

With reference to your file G-172930 Spl. 565C of March 8th. and CTS of the 5th. instant and further to mine of March 28th and April 9th. re above.

To-day I called at the Manager's Office of the B.C.C.S. and discussed with Mr.H.E.Miller, Catering Superintendent, the question of bar stock inventories. He advises that no surprise inventories are being made and to do so he would have to have additional staff to take care of this feature. However when the ships are tied up for repairs and overhaul where possible the stock of liquor is removed and checked back to stores. Ships on the Nanaimo run are unable to have the stock removed from the ship, but it is removed from the bar and checked to a storeroom on an upper deck and placed under double lock. This room is carefully watched to see that stock is not tampered with while the ship is tied up.

Again if it is your wish to have Travelling Auditors make a surprise inventory of beer, wine and liquor stock being carried on the ships and compile a stock list of same for checking by the Catering Department of the B.C.C.S. It would be necessary for the Auditor to make this check a special feature as the only time a comprehensive check could be made would be when the bar is closed.

For your further information I am attaching hereto, a letter received from the Manager, B.C.C.S., his file 14118.

Travelling Auditor.

FORM 102 PRINTED IN CANADA

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CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B.C., April 20th, 1955. -g

H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

Dear Sir: 'PRINCESS OF NANAIMO' - Report No. 1890

Referring to your letter of the 9th instant to Chief, Travelling Staff, Montreal, relative to the above report.

The question of making irregular surprise verifications of liquor inventories received from the various ships has been given very careful thought by the Catering Superintendent. He confirms that up to the present, no surprise or spot checks of any bar stocks are being taken, the stock figures submitted by the Chief Stewards being accepted in all cases for balancing the bar account. In this connection he points out that the same procedure is followed for the commissary supplies on the steamers without any spot or surprise verification check.

The cash register keys are retained by the Purser who is the only one able to take a machine reading. The re-set key is forwarded to each ship at the close of a month for the express purpose of re-setting the register back to zero to prevent the machine totals from climbing too high. The Purser removes the cash takings from the machine and verifies

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B.C., April 20th, 1955. -g

H. G. Letch, Esq. - 2 -

same against the machine reading. The Chief Steward then prepares the daily Bar Report based on figures supplied to him by the Purser, and the Purser certifies the report as to its correctness.

A copy of the daily Bar Report is sent to the Catering Superintendent, from which the monthly bar earnings information is compiled. The monthly stock check made by the Chief Steward must tie in with the daily Bar Reports.

As the register tapes only show the individual sales and the closing total, which latter record appears on the daily Bar Report, they are not retained as it is not considered such retention would serve any useful purpose.

Mr. Miller will be only too pleased to discuss this whole question with you upon your next visit.

Yours truly,

(Sgd.)
O. J. Williams
M A N A G E R

COPY

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Vancouver B.C. April 9th.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

S/S "Princess of Nanaimo" - Report #1890

With reference to your file CTS of the 5th. instant re above.

On March 28th. I wrote you as follows:-

"With reference to your file G-172930 Spl. 565C of March 8th. re above.

I have discussed with Mr.R.J.Beattie, Chief Clerk to Captain O.J.Williams, the question of irregular surprise verifications being made of the liquor inventories received from the Cocktail Bars of the various ships. Mr.Beattie agrees this should be done but was unable to state definitely whether it was being done or not, as Mr.H.E.Miller, Catering Superintendent, was not in town and Mr.C.W.Olive, Commissary Clerk was away ill. When these two gentlemen return Mr.Beattie will take the matter up with them and will advise me further in this connection."

Please see my report #1896 covering.

Travelling Auditor.

CC:
Captain O.J.Williams,
Manager B.C.C.S.,
Victoria B.C.

To-date I have not heard from your Mr.Beattie in this connection.

FORM 102A PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM CTS

Montreal, April 5, 1955.

Mr. H.G. Letch,
Travelling Auditor,
VANCOUVER, B. C.

Report No.1890
S/S "Princess of Nanaimo"

I do not appear to have received a reply to my lengthy letter of March 8 relative to the above-mentioned report.

Will you please be good enough to let me have your comments as soon as possible.

M A Barber

Chief, Travelling Staffs

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

March 28th.,1955

Mr.A.W.Blackler,
Auditor of Agencies,
Montreal Que.

S/S "Princess of Nanaimo" - Report #1690

With reference to your file G-172930 Spl. 565C of March 8th. re above.

I have discussed with Mr.R.J.Beattie, Chief Clerk to Captain O.J.Williams, the question of irregular surprise verifications being made of the liquor inventories received from the Cocktail Bars of the various ships. Mr.Beattie agrees this should be done but was unable to state definitely whether it was being done or not, as Mr.H.E.Miller, Catering Superintendent, was not in town and Mr.C.W.Olive, Commissary Clerk, was away ill. When these two gentlemen return Mr.Beattie will take the matter up with them and will advise me further in this connection.

Travelling Auditor.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G-172930 Spl. 565C

Montreal, March 8, 1955.

Mr. H.G. Letch,
Travelling Auditor,
Vancouver, B.C.

Report No. 1890
S.S."Princess of Nanaimo".

I have the above-mentioned report and it is noted that you did not undertake a physical check of the bar stocks during your audit and also that the tapes from the bar tills are being destroyed.

It is my understanding of the procedure followed, that the stock of liquor, beer and wine used to supply these vessels, is under the jurisdiction of the Catering Superintendent of B.C.C.S., and is stored at Vancouver under the control of a commissary clerk of his department. The stock is maintained by requisition and purchase on a B.C. Government Order Form. The original and one copy of this form are forwarded to C.P.R. Purchasing Agent, one copy to Catering Superintendent and one copy retained on file. The copies which are sent to the Purchasing Agent are returned to the commissary clerk together with two copies of Purchasing Department Issue Order Form PD 1 and an emergent voucher from Local Treasurer for the amount of the purchase. The original and a copy of Liquor Control Board Form are then presented to the Liquor Control Board store together with the voucher and the Purchasing Department order forms are stamped paid by the Liquor Control Board and returned to the Purchasing Agent on receipt of the order.

The commissary clerk maintains a stock record on Form 1223 and makes issues to the bar attendants on presentation of a Bar Indent signed by the Chief Steward. This issue is then posted against the stock record on Form 1223 and a monthly stock report

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Mr. H.G. Letch (2)

is completed by him and submitted to the Catering Superintendent of B.C.C.S. at Victoria.

On the ships, the bar attendant who is under the jurisdiction of Chief Steward is held directly responsible for the stock. When additional stock is required a Bar Indent is completed and signed by the Chief Steward, the original copy of which is presented to the commissary clerk, two copies forwarded to the Catering Superintendent and one copy is retained on file. The bar attendant completes a weekly stock report and the Chief Steward also compiles a stock report at the close of each month and the reports are forwarded to the Catering Superintendent.

From this it would appear that the Catering Superintendent at Victoria has a complete record of the purchases, sales, cash proceeds and stock on hand but I am not sure what precaution he is taking to assure himself that the stocks supposed to be on hand with his commissary clerk and on the various ships are actually on hand. On the face of it, I would think that our check of a ship should include a stock list of bar supplies as at date of cut-off which would be submitted with your report and which this office would forward to the Manager of B.C.C.S. to be checked against the records of the Catering Superintendent. On the other hand, if either the Manager or the Catering Superintendent is already sending someone to make surprise verifications of the inventories at irregular intervals then I would think that once we are satisfied that good protection of stocks exist, it would not be necessary for us to concern ourselves further with the matter. It is important that we do not omit anything in our audits of this feature which might subsequently be termed inadequate verification and I would like to hear further from you as to just what external physical verification of these liquor inventories is being made after which a decision may be made as to whether we should take stock or not.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Mr. H.G. Letch: (3)

In so far as the cash is concerned, I understand that the Purser of each vessel retains the key of all cash registers used for liquor sales and takes a daily reading with the Chief or Second Steward. The cash from the register is removed by the Purser at the same time and is balanced with the cash register reading. The Daily Bar Report, is then completed by the Chief Steward using the figures shown on the cash register reading and the original copy of this report is submitted to the Purser for inclusion on his Balance Sheet. A copy of the report, with the cash register tape was supposed to be forwarded to the Manager of B.C.C.S. at Victoria, for the information of the Catering Superintendent and it seems to me that this should be continued and the tapes should be retained. I would be interested in knowing why it is now considered that the tapes are no longer necessary and are destroyed.

A.W. Blackler

Auditor of Agencies. R.

1960

File #152

B.C.C.S. COCKTAIL LOUNGE & BAR RECEIPTS.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Vancouver B.C. April 21st.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

S/S "Princess of Nanaimo" - Report #1890

With reference to your file G-172930 Spl. 565C of March 8th. and CTS of the 5th. instant and further to mine of March 28th and April 9th. re above.

To-day I called at the Manager's Office of the B.C.C.S. and discussed with Mr.H.E.Miller, Catering Superintendent, the question of bar stock inventories. He advises that no surprise inventories are being made and to do so he would have to have additional staff to take care of this feature. However when the ships are tied up for repairs and overhaul where possible the stock of liquor is removed and checked back to stores. Ships on the Nanaimo run are unable to have the stock removed from the ship, but it is removed from the bar and checked to a storeroom on an upper deck and placed under double lock. This room is carefully watched to see that stock is not tampered with while the ship is tied up.

Again if it is your wish to have Travelling Auditors make a surprise inventory of beer, wine and liquor stock being carried on the ships and compile a stock list of same for checking by the Catering Department of the B.C.C.S. It would be necessary for the Auditor to make this check a special feature as the only time a comprehensive check could be made would be when the bar is closed.

For your further information I am attaching hereto, a letter received from the Manager, B.C.C.S., his file 14118.

Travelling Auditor.

FORM 102 PRINTED IN CANADA

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CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B.C., April 20th, 1955. -g

H. G. Letch, Esq.,
Travelling Auditor,
Vancouver, B. C.

Dear Sir: 'PRINCESS OF NANAIMO' - Report No. 1890

Referring to your letter of the 9th instant to Chief, Travelling Staff, Montreal, relative to the above report.

The question of making irregular surprise verifications of liquor inventories received from the various ships has been given very careful thought by the Catering Superintendent. He confirms that up to the present, no surprise or spot checks of any bar stocks are being taken, the stock figures submitted by the Chief Stewards being accepted in all cases for balancing the bar account. In this connection he points out that the same procedure is followed for the commissary supplies on the steamers without any spot or surprise verification check.

The cash register keys are retained by the Purser who is the only one able to take a machine reading. The re-set key is forwarded to each ship at the close of a month for the express purpose of re-setting the register back to zero to prevent the machine totals from climbing too high. The Purser removes the cash takings from the machine and verifies

FORM 102

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM 14118

Victoria, B.C., April 20th, 1955. -g

H. G. Letch, Esq. - 2 -

same against the machine reading. The Chief Steward then prepares the daily Bar Report based on figures supplied to him by the Purser, and the Purser certifies the report as to its correctness.

A copy of the daily Bar Report is sent to the Catering Superintendent, from which the monthly bar earnings information is compiled. The monthly stock check made by the Chief Steward must tie in with the daily Bar Reports.

As the register tapes only show the individual sales and the closing total, which latter record appears on the daily Bar Report, they are not retained as it is not considered such retention would serve any useful purpose.

Mr. Miller will be only too pleased to discuss this whole question with you upon your next visit.

Yours truly,

(Sgd.)
O. J. Williams
M A N A G E R

COPY

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Vancouver B.C. April 9th.,1955.

Mr.M.C.Barber,
Chief, Travelling Staffs,
Montreal Que.

S/S "Princess of Nanaimo" - Report #1890

With reference to your file CTS of the 5th. instant re above.

On March 28th. I wrote you as follows:-

"With reference to your file G-172930 Spl. 565C of March 8th. re above.

I have discussed with Mr.R.J.Beattie, Chief Clerk to Captain O.J.Williams, the question of irregular surprise verifications being made of the liquor inventories received from the Cocktail Bars of the various ships. Mr.Beattie agrees this should be done but was unable to state definitely whether it was being done or not, as Mr.H.E.Miller, Catering Superintendent, was not in town and Mr.C.W.Olive, Commissary Clerk was away ill. When these two gentlemen return Mr.Beattie will take the matter up with them and will advise me further in this connection."

Please see my report #1896 covering.

Travelling Auditor.

CC:
Captain O.J.Williams,
Manager B.C.C.S.,
Victoria B.C.

To-date I have not heard from your Mr.Beattie in this connection.

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CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM CTS

Montreal, April 5, 1955.

Mr. H.G. Letch,
Travelling Auditor,
VANCOUVER, B. C.

Report No.1890
S/S "Princess of Nanaimo"

I do not appear to have received a reply to my lengthy letter of March 8 relative to the above-mentioned report.

Will you please be good enough to let me have your comments as soon as possible.

M A Barber

Chief, Travelling Staffs

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

March 28th.,1955

Mr.A.W.Blackler,
Auditor of Agencies,
Montreal Que.

S/S "Princess of Nanaimo" - Report #1690

With reference to your file G-172930 Spl. 565C of March 8th. re above.

I have discussed with Mr.R.J.Beattie, Chief Clerk to Captain O.J.Williams, the question of irregular surprise verifications being made of the liquor inventories received from the Cocktail Bars of the various ships. Mr.Beattie agrees this should be done but was unable to state definitely whether it was being done or not, as Mr.H.E.Miller, Catering Superintendent, was not in town and Mr.C.W.Olive, Commissary Clerk, was away ill. When these two gentlemen return Mr.Beattie will take the matter up with them and will advise me further in this connection.

Travelling Auditor.

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM G-172930 Spl. 565C

Montreal, March 8, 1955.

Mr. H.G. Letch,
Travelling Auditor,
Vancouver, B.C.

Report No. 1890
S.S."Princess of Nanaimo".

I have the above-mentioned report and it is noted that you did not undertake a physical check of the bar stocks during your audit and also that the tapes from the bar tills are being destroyed.

It is my understanding of the procedure followed, that the stock of liquor, beer and wine used to supply these vessels, is under the jurisdiction of the Catering Superintendent of B.C.C.S., and is stored at Vancouver under the control of a commissary clerk of his department. The stock is maintained by requisition and purchase on a B.C. Government Order Form. The original and one copy of this form are forwarded to C.P.R. Purchasing Agent, one copy to Catering Superintendent and one copy retained on file. The copies which are sent to the Purchasing Agent are returned to the commissary clerk together with two copies of Purchasing Department Issue Order Form PD 1 and an emergent voucher from Local Treasurer for the amount of the purchase. The original and a copy of Liquor Control Board Form are then presented to the Liquor Control Board store together with the voucher and the Purchasing Department order forms are stamped paid by the Liquor Control Board and returned to the Purchasing Agent on receipt of the order.

The commissary clerk maintains a stock record on Form 1223 and makes issues to the bar attendants on presentation of a Bar Indent signed by the Chief Steward. This issue is then posted against the stock record on Form 1223 and a monthly stock report

FORM 102 PRINTED IN CANADA

CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Mr. H.G. Letch (2)

is completed by him and submitted to the Catering Superintendent of B.C.C.S. at Victoria.

On the ships, the bar attendant who is under the jurisdiction of Chief Steward is held directly responsible for the stock. When additional stock is required a Bar Indent is completed and signed by the Chief Steward, the original copy of which is presented to the commissary clerk, two copies forwarded to the Catering Superintendent and one copy is retained on file. The bar attendant completes a weekly stock report and the Chief Steward also compiles a stock report at the close of each month and the reports are forwarded to the Catering Superintendent.

From this it would appear that the Catering Superintendent at Victoria has a complete record of the purchases, sales, cash proceeds and stock on hand but I am not sure what precaution he is taking to assure himself that the stocks supposed to be on hand with his commissary clerk and on the various ships are actually on hand. On the face of it, I would think that our check of a ship should include a stock list of bar supplies as at date of cut-off which would be submitted with your report and which this office would forward to the Manager of B.C.C.S. to be checked against the records of the Catering Superintendent. On the other hand, if either the Manager or the Catering Superintendent is already sending someone to make surprise verifications of the inventories at irregular intervals then I would think that once we are satisfied that good protection of stocks exist, it would not be necessary for us to concern ourselves further with the matter. It is important that we do not omit anything in our audits of this feature which might subsequently be termed inadequate verification and I would like to hear further from you as to just what external physical verification of these liquor inventories is being made after which a decision may be made as to whether we should take stock or not.

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CANADIAN PACIFIC RAILWAY COMPANY

FILE OR CLAIM

Mr. H.G. Letch: (3)

In so far as the cash is concerned, I understand that the Purser of each vessel retains the key of all cash registers used for liquor sales and takes a daily reading with the Chief or Second Steward. The cash from the register is removed by the Purser at the same time and is balanced with the cash register reading. The Daily Bar Report, is then completed by the Chief Steward using the figures shown on the cash register reading and the original copy of this report is submitted to the Purser for inclusion on his Balance Sheet. A copy of the report, with the cash register tape was supposed to be forwarded to the Manager of B.C.C.S. at Victoria, for the information of the Catering Superintendent and it seems to me that this should be continued and the tapes should be retained. I would be interested in knowing why it is now considered that the tapes are no longer necessary and are destroyed.

A.W. Blackler

Auditor of Agencies. R.

1960

File #152

B.C.C.S. COCKTAIL LOUNGE & BAR RECEIPTS.