CANADIAN PACIFIC RAILWAY COMPANY.

OFFICE OF THE AUDITOR OF AGENCIES

C. J. BLACK, D.C.W.
AUDITOR OF AGENCIES.

G-8 19515

MONTREAL. 11th December 1913.

A. W. Tennant, Esq.,

Travelling Auditor,

Vancouver, B.C.

Dear Sir:-

Circular #165 to Telegraph Tariff.

Your letter of the 15th November last. I have taken the matter up re Rule 70 regarding destroying business, and Mr. Flanagan states that Mr. Fletcher, Superintendent of Traffic, advises that Rule 70 would be modified in December circular and carry the exception referred to.in your letter.

Yours truly,

C J Black

Auditor of Agencies.

////////// Vancouver. B. C. Nov. I5/I3

C. J. Black, Esq.,

Auditor of Agencies,

Montreal.

Dear Sir:-

Circular No. I65 to Telegraph Tariff .

I would draw your attention to page 3 "Destruction of ~~xx~~ Messages". This is calling attention to Rule 70, and it conflicts with the understanding that we have on this subject. which is covered by your G-604052, Mr. Flanagan's 283415.

Many agents are only too glad to take advantage of this Rule 70, and destroy business to avoid the work of clearing up E/S. I think this ruling should be modified, and carry the exception noted in Mr. Flanagan's 283415. Or, his office should get E/S. out to agents more promptly so that ample time is given to clear them up within the six months. If this were done a travelling auditor would know that agent had not given this work proper attention, and we would not hesitate to charge old E/S to agent at fault.

The majority of agents are very slack, and indifferent, about this work, and I note that Mr. Flanagan frequently drops old date E/S from his lists.

Yours truly,

T. A.

CANADIAN PACIFIC RAILWAY COMPANY.

OFFICE OF THE AUDITOR OF AGENCIES

C. J. BLACK, D.C.W.
AUDITOR OF AGENCIES.

MONTREAL, 20th November 1913.

G-8 0 8 8 7 7

A. W. Tennant, Esq.,

Travelling Auditor,

Vancouver, B.C.

Dear Sir:-

Vancouver Telegraph O/S. a/c Herbert Haynes.

April	1913	$3.92	
May	"	1.20	$5.12.

Replying to yours of November 3rd. I note you state that Agents have no definite instructions regarding allowing credit accounts remaining unpaid. If you will refer to Clause E. Rule 81 of Tariff Book to which you refer, you will note same reads as follows:- "Unless specially authorized, no credit will be extended beyond a month. All accounts must be rendered and paid promptly at the close of each month and if any account is not paid by the end of the following month, credit is to be discontinued. I cannot see what more definite instructions than that an agent would require. If a case does arise where agent considers it in the best interests of the Company that the account be not cut off, he should take up promptly for authority to extend the credit.

Yours truly,

C J Black

Auditor of Agencies.

////////// Vancouver. B. C. Nov. 3rd/13

C. J. Black, Esq.,

Auditor of Agencies, G-808877

Montreal.

Dear Sir:-

Vancouver Telegraph C/S. a/c Herbert Haynes.

Returning all papers with yours of the 7th ulto.

This appears to be a slip on part of agent as regards not obtaining the credit authority. He apparently transferred this firm to the authorized credit list, but failed to get in his application to Supt' to cover.

There is however much to be considered in handling this telegraph business, and I would frankly say that I do not think it policy to force agent into protecting himself simply by asking for a credit.

There has been a lot of correspondence lately, owing to the bad a/cs all reaching you in a bunch, and it has given you the impression that there is somthing radically wrong. I do not agree with this, and feel satisfied that you have had the Company's interests better protected here than is usually found at large offices.

The agent has made a practice of discouraging monthly accounts to those who are not absolutely safe. At the same time he has to meet our competitors tactics, by taking some chances, to secure new business. His policy has been to allow these new firms credit by placing them on the P.O. a/c, which prevents a firm getting very far before

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making settlement. You are quite aware that any credit asked for is promptly authorized without question. Also that it is practically two months before we can size up whether a man is going to be bad pay or not Is it not better to confine it to a few day's business rather than let them get us for two months.

When times are good here this city is filled up with small Real Estate Brokers. Their business is a good thing while they last, and it is certainly better to have them running on a few days credit instead of monthly.

The credit business in a freight office is somthing that is fully understood, and lived up to, by all concerned. But, I fail to find any definite understanding in regards the telegraph business. The credit form of authority that you send out does not instruct an agent, and tariff book does not deal with it. Question # 26 on T/A's report Form I53 has always been considered by me to mean that credit is allowed for the month. Accounts however are not out until well towards the middle of the next month, and there are a hundred and one reasons, and excuses, for various accounts not being paid before the second month is gone.

The agent will not hesitate to cut out a firm's credit if he knows that this is expected. On the other hand the Supt' would consider him a poor man if he lost business through being too sharp in the matter. The W.U.Tel. Co. allow credit to anybody, and everybody, and I understand they have to write off about $I5.00 each month on P.O.s alone. Our agent uses every care in dealing with the public without

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taking unnecessary risks. We have been finding fault with him recently in connection with these congested bad items, and he is protecting himself by cutting down P.O.s and asking for authorized credits for those that he considers will pay. I am sure that this will not work to our advantage.

The question should be further dealt with, and agents given more definite instructions as to just what is expected of them. Newspapers, Judges, and others go behind in their accounts, and an agent hesitates before taking a decided stand. The operating department want the business, or know the reasons why. It seems to me that hard and fast rules should be laid down, similar to freight office credits, so that Supts' and agents' know what stand to take, and there will not be any misunderstanding between them on the point.

You have an agent here who will do what is expected of him, and one who wants to avoid his management being questioned too frequently.

The present case covers a firm carried in P.O.s until agent felt that he was safe for monthly credit. But he made the slip of omitting to apply for the usual authority. When you consider the fact that there is in the vicinity of a thousand authorized accounts you can readily understand that it is not a hard matter for an odd one to get past without proper authority.

Personally I would like to see somthing definite on the question of slow settlement so that we would all know just how far to go in carrying out the Company's wishes.

Yours truly,
T. A.

CANADIAN PACIFIC RAILWAY COMPANY.

OFFICE OF THE AUDITOR OF AGENCIES

C. J. BLACK, D.C.W. R.
AUDITOR OF AGENCIES.

MONTREAL, 7th October 1913.

G-8 0 8 8 7 7

A. W. Tennant, Esq.,

Travelling Auditor,

Vancouver, B.C.

Dear Sir:-

Vancouver Telegraph O/S. a/c Herbert Haynes.

April	1913	$3.92
May	"	1.20
		5.12.

Please note Superintendent Richardson's letter of August 22nd, and all papers in connection with the above outstanding. This is another instance where Agent is allowing credit without authority

Please look into the matter and advise fully what has been done to remedy this trouble at Vancouver Telegraph Office.

You will recollect that I referred a similar case to you recently.

It seems to me that Agent is working on a wrong system. Return papers with your report.

Yours truly,

C J Black

Auditor of Agencies.

CANADIAN PACIFIC RAILWAY COMPANY.

D.C.W.

OFFICE OF THE AUDITOR OF AGENCIES

C. J. BLACK,
AUDITOR OF AGENCIES.

G-8 0 1 1 8 2

MONTREAL, 3rd October 1913.

A. W. Tennant, Esq.,

Travelling Auditor,

Vancouver, B.C.

Dear Sir:-

Vancouver Tel. O/S. $10.61 a/c
Queen Charlottes Fishing Co.

Yours of September 13th. Agent certainly had no right whatever to use this $3.94 paid in by Mr. Mackie account of personal business to ~~xlar~~ clear an outstanding account of the Queen Charlotte Fishing Co even if Mr. Mackie was connected with that Company. The money need not necessarily have been returned to Mr. Mackie, but taken to S/Dr. and refunded the sender if ~~it~~ was found that the sending office had been successful in collecting the charges back from the sender. It may be that this has not been done even yet and that these two messages are still being carried by Mr. Flanagan as uncollectibles in differences. When Agent takes S/Dr. for $3.94 ~~on~~ his September T.D.15 he should attach copies of the messages in question in ~~xrdx~~ order that Mr. Flanagan will know what to do with the amount. In regard to the last sentence of your letter would state that it will be necessary for Mr. Flanagan to deal with the amount as explained above, the uncollectibles may still be open in his accounts and if so he will require the amount. From the correspondence it would seem that the amount is ~~not~~ due Mr. Mackie in any event, but the sender of the messages.

CANADIAN PACIFIC RAILWAY COMPANY.

OFFICE OF THE AUDITOR OF AGENCIES

C. J. BLACK, D.C.W.
AUDITOR OF AGENCIES.

G-8 0 1 1 8 2 MONTREAL, 3rd October 1913.

(A.W.TennantEsq) (Z)

The reason this matter was referred to you was that we have had trouble at another large telegraph office due to Agent wrongly applying amounts in clearance of O/S. items and we do not want a repetition at Vancouver.

Yours truly,

C J Black
Auditor of Agencies.

//////// Vancouver. B. C. Aug. 25/13

C. J. Black, Esq.,

Auditor of Agencies, G.80II83

Montreal.

Dear Sir:-

Vancouver Telegraph O/S Tomilson & Mitchell
$3.25 June I9I2.

Replying to yours of the I6th inst. and enclosures.

There is nothing wrong with the agent's system of checking up his collectors. I do not think that you have an office that gets more personal attention, from an agent, to ~~xxx~~ O/S A/cs. He daily goes over all delayed P.O.s and A/Cs with his collectors, and the public is practically hounded for payment of their accounts.

The trouble is that the P.O. system is wrong, and should be cut out altogether. The public take a delight in telling our collectors to call tomorrow, "Mr Smith is out just now", and a hundred and one other excuses to avoid paying a small amount when called upon. We accept many a 25 Ct telegram over the phone that costs more to collect it. In fact, we pay a messenger nine cents to collect that 25 Cts, outside a certain limit, and I understand the Coy's profit is only six cents on a 25 ct telegram.

The ~~xxxxxxxxx~~ P.O's run on an average of 70 per day, and I am sure there is not two items written off each month. But you will find many of them in O/S for 30 days or more. Excuses of all kinds are given, and many a trip is made over small amounts before they are

collected. You cannot take people by the throat, and it is pretty hard somtimes to know just how to handle some of these petty transactions. Agent has a list of over I25 names posted up for the information of his counter clerks. These are all dead beats who have troubled agent and his collectors over the collection of some small item. This list is being added to every day, or two, and counter clerks have frequently put up small amounts a/c of having overlooked names on this list.

Regarding the A/c of $3.25 in question. Agent is satisfied that these items were never paid to his men. Collector was first told to come back again, then put off on one pretenxe and another, and finally told that it had already been paid. This firm will not produce their receipts, and if it were not for the fact that their main office at Winnipeg does considerable business with our Company, agent would put them on the bad list and discontinue their credit. Their business here does not amount to much, but since being placed on the monthly credit list their account has been paid promptly. The agent's personal idea in the matter is that this firm's book keeper is a crank and will not bother going into the matter. They have not convinced agent that they have ever paid it, but what can you do about it?

Referring to your closing remarks. The whole trouble is due to these bad A/cs being allowed to accumulate. A number of items have been referred to Supt' from time to time, but there appears to have been a hesitation about passing them by the Supt', or at Winnipeg,. Mr. McMillan, Genl' Supt', was in Vancouver during our last check, and we had a chat with him on this subject. He advised agent to ~~kexp~~ get all

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bad debts cleaned up, and to keep them cleaned up. This has resulted in the accumulation reaching you, practically, in a bunch.

I cannot see any way to improve conditions at this office unless it is to discontinue the petty outstanding account.

Yours truly,

T. A?

CANADIAN PACIFIC RAILWAY COMPANY.

R

C. J. BLACK,
AUDITOR OF AGENCIES.

OFFICE OF THE AUDITOR OF AGENCIES

G 801183 MONTREAL, Aug. 16th 1913.

A. W. Tennant , Esq.

Trav. Auditor,

Vancouver B.C.

Dear Sir,-

Vancouver Telegraph O/S Tomlinson & Mitchell $3.25
June 1912.

I enclose herewith agent's letter to Mr. Richardson, asking for clearance of above amount. You will note he states that this was a petty outstanding and that there is a possibility that amount was collected by one of his collectors. It seems to me that there is something radically wrong with agent's system of checking up his collectors, if an item of this nature is allowed togo unquestioned for this lenght of time. As this was a petty outstanding, the item of June 17th should have been collected or a good reason given before the messages of the 28th and 29th were allowed to become O/S.

On looking up your last report I find that the only mention you make re this item is that the account is in dispute and will probably have to be cleared. Will you please say if agent is to blame for not xxx seeing that a proper check was in effect on collectors and if there is any reason why he should not now be called on to make the amount good. Also let me know what steps you have taken to have this part of the work put on a proper basis

CANADIAN PACIFIC RAILWAY COMPANY.

R

C. J. BLACK,
AUDITOR OF AGENCIES.

OFFICE OF THE AUDITOR OF AGENCIES

G 801183

MONTREAL,

so as to prevent repititions of this kind. If no proper system of checking up the collections of these petty accounts is now in effect, see that one is started at once, and advise.

Judging from the number of applications from this office lately for clearance, it would seem that there is something wrong with agent's methods of granting credit and making collections.

Yours truly,

C J Black

Auditor of Agencies.