

bound, it usually was pulpwood. Sometimes they also carried pulpwood downbound from Lake Superior.

If LIVINGSTON and WATERTON operated successfully, however, their owner did not. When things began to go sour for the lake shipping industry during the summer of 1929, Ernie Mathews found himself in a most precarious financial position, with operating revenues falling. Even the older Mathews ships had been mortgaged to the hilt to help pay for all the newly-constructed steamers, and with revenues decreased, the bills for the new boats could not be paid.

Despite the addition of new directors, the company was unable to get its act together and was forced into receivership. On February 10, 1931, the Mathews Steamship Company Ltd. was adjudged bankrupt by the Registrar of the Supreme Court of Ontario in Bankruptcy, upon petition of the Toronto Dry Dock Company, which had not been paid for certain repair work that it had done for Mathews, and the fleet finally was sold off by late in 1933. A. E. Mathews himself had been removed physically from the company's offices in the Canadian Pacific Railway Building at King and Yonge Streets, Toronto, partially as a result of the transfer of the ownership of the big yacht CONDOR from Mathews' personal ownership to that of the company shortly before the bankruptcy, but also because of enquiry into the fact that Mathews personally owed the firm a substantial amount of money that never was paid.

However, LIVINGSTON and WATERTON were not owned by Mathews when the firm was wound up. Sir W. G. Armstrong, Whitworth & Company, like the Smith's Dock Company Ltd., had seen the writing on the Mathews wall and had taken steps to secure its interest by repossessing LIVINGSTON and WATERTON, just as Smith's Dock had repossessed FULTON and SOUTHTON. However, whereas Smith's Dock chose to operate FULTON and SOUTHTON itself, through an affiliate, Armstrong, Whitworth decided to permit the receivers of the Mathews fleet to operate LIVINGSTON and WATERTON along with the other company ships. At the time of the failure of the company, the Mathews Steamship Company Ltd. still owed the shipbuilder the sum of \$215,623.71 on account of the construction of LIVINGSTON and WATERTON and, in addition, Mathews had arranged mortgages on these ships to the National Trust Company.

G. T. Clarkson, of the Toronto firm of E. R. C. Clarkson & Sons, was the receiver and manager of the Mathews Steamship Company, appointed to that position by the Court in February of 1931. Clarkson in turn appointed another member of his firm, A. B. Buckworth, to be general manager of the fleet. Buckworth retained H. B. Clark, the former secretary of the Mathews company, to assist him in operating the fleet. These operators put as many of the Mathews boats as possible into service in 1931, although operations were naturally limited due to the continuing and, in fact, worsening effects of the Great Depression, and they continued fleet operations through the 1932 and 1933 seasons.

Two meetings of the holders of Mathews Steamship Company bonds were called by the Montreal Trust Company during the autumn of 1933 in order to consider offers from the Norris Grain Company and Sarnia Steamships Ltd., to purchase the thirteen steamers owned by Mathews, namely ARLINGTON, BAYTON, BERRYTON, BROOKTON, EASTON, LAKETON, MALTON, MATHEWSTON, NORTHTON, RIVERTON, ROYALTON, WIARTON and YORKTON. On November 28th, 1933, the offer from Sarnia Steamships was accepted, and this firm, operated by Capt. Robert Scott Misener and John O. McKellar, with the financial backing of John J. Boland, Jr., and John J. Boland, Sr., of Buffalo, formed Colonial Steamships Ltd. to take over the operation of these vessels.

It will be noted that LIVINGSTON and WATERTON, still owned by the British shipbuilders and only managed by the Mathews receivers, were not included in this sale. However, their disposal was not long in coming. Early in 1934, the McKellar Steamship Company Ltd. was formed, having as its directors