Capt. Misener, John O. McKellar, the two Bolands and W. Gray, and on May 1st, the new company took over both LIVINGSTON and WATERTON. They were the only ships the McKellar Steamship Company ever would own, and it would appear that the outstanding debt to Sir W. G. Armstrong, Whitworth & Company was not discharged for quite some period of time, because the Misener interests kept the ships registered at Newcastle and never brought them into Canadian registry.

The new owner made only minor changes to the colours of the two ships, but these improved their appearance rather considerably. The hull and poop remained black and the cabins white, and the black stack with the two silver bands remained, as Misener adopted the old Mathews stack design for its own. However, the forecastle now was painted all white, with the trim around the fairleads and the anchor pockets done in black. The old Mathews logo was repainted in black on the white forecastle, and even the large letter 'M' in the centre was retained. The only changes to the logo were the addition of a small letter 'C' over the centre of the 'M', and the substitution of 'McKellar' for 'Mathews' in the upper portion of the ring. The boat deck ventilator cowls, which had been black, were now painted white, with red interiors.

LIVINGSTON and WATERTON retained their names, as the Misener fleet kept not only the Mathews colours but also the Mathews names, and the "ton" suffix later was incorporated into the names of several other Misener freighters. We must also remember that Misener bought the Mathews boats at the height of the Great Depression, when money was not easily obtained, and the cost of renaming boats, and giving them new paint jobs was to be avoided if at all possible.

The pair of steamers operated as successfully for the McKellar Steamship Company Ltd. as they had for Mathews, with pulpwood being a staple cargo for them. They were well suited to carry pulpwood because of their very large hatches, and the fact that neither ship had a "step" in her deck, as so many of the British-built canallers did. They survived the first few years of World War Two, remaining primarily in lake trade. However, in May of 1941, both LIVINGSTON and WATERTON were sold to Bowater's Newfoundland Pulp & Paper Mills Ltd., for operation on the east coast. They eventually were reregistered at St. John's, Newfoundland, but even then they still flew the British flag because Newfoundland did not become a province of Canada until 1949, long after both ships had departed the scene. Thus, neither LIVINGSTON nor WATERTON ever flew the Canadian flag.

Because the two steamers now were operating under extremely dangerous circumstances, and subject to enemy action in the exposed waters of the east coast, they were refitted to make them more suitable for their new duties. A wartime photograph of LIVINGSTON shows her painted grey, with only the mainmast and the top of her funnel painted black. There was a dodger around the monkey's island, with additional equipment installed there, and Carley floats were placed on deck in the event that abandonment of the ship by her crew became necessary. She ran with her lifeboats swung out and ready to be lowered at a moment's notice in the event of attack, and an artillery piece was placed on a platform constructed on the far aft end of the boat deck. A small deckhouse was built on the boat deck on either side of the smokestack to house the gun crew and other additional crew members that now had to be carried. Unfortunately, however, neither steamer was to survive the conflict.

The first to fall victim to the trials of wartime service was WATERTON. On Sunday, October 11th, 1942, WATERTON was in the Gulf of St. Lawrence, bound from Corner Brook, Newfoundland, to Cleveland, Ohio, with a cargo of pulpwood and newsprint. She was torpedoed by U-106, which had made a foray deep into Canadian waters, and the steamer sank in eight minutes, in position 47°07' N. by 59°54' W. Fortunately, all 27 crew members from WATERTON sur-