

the strain of a heavy coal trade in boisterous waters of New Zealand. (4.) The seagoing qualities to be good, and the steering-gear sufficient and reliable (she is reported as bad to steer). (5.) In regard to draft, she should trim when light to 7 ft. 6 in.—that is, with the ballast-tank full—and should carry at least 200 tons upon a draft of 8 ft., and when thus trimmed be in good trim for her work, and also carry her full load, 380 tons, upon a draft not to exceed safe limits (named at 10 ft. aft.) (6.) That the winch-power will be sufficient for quick despatch, and, if not, made good. (7.) The cattle-fastenings should be erected to show their completeness. (8.) The 'Lawrence' is reported weak in her hull, and having been injured when ashore, and that some of the plates both in the bottom and deck are much reduced by corroding. (9.) That if possible to modify the bargain the present owners should accept a deposit and deliver the steamer at a New Zealand port.—EUGENE O'CONOR."

"P.S.—The s.s. 'Lawrence' is described as having special facilities for ventilation in the hold by forcing air thereto with engine-power: that is of importance.—E. O'C."

Mr. Macdonald: This is not signed either by Mr. Macarthy or Mr. Allen.

Mr. Macarthy: Mr. O'Connor might say the signatures have been removed. There is no doubt that it is his writing, but he stated that the copy in his letter-book was a press copy. Neither Mr. Allen nor myself signed these instructions.

Mr. Macdonald: What we understand you to say, Mr. Macarthy, in reference to this matter is that Mr. O'Connor's statement that the instructions to Mr. Seagar were signed by yourself and Mr. Allen—that is, the original instructions—is absolutely untrue, because you produce the original instructions, which do not contain the names or signatures of the directors as stated, but only the signature of Mr. O'Connor?

Mr. Macarthy: Certainly, I state that, and there is the proof. And there is no record in the books of those instructions having been given to Mr. Seagar.

Mr. Macdonald: Was Mr. O'Connor in the habit of keeping in his own private letter-box such matters?

Mr. Macarthy: I cannot tell you. His black bag contained many valuable records of the company.

Mr. Miles: Of course, as Mr. O'Connor is absent we cannot give him the opportunity of showing the copy in his letter-book. We are quite powerless.

Mr. Macarthy: I should have stated at the time, had I been allowed, that what he showed was not an exact copy of the instructions given to Mr. Seagar at the time. There are one or two other points I wish to call your attention to. Mr. O'Connor gave you an opinion of the value of the steamer as soon as she arrived here. My recollection of what Mr. O'Connor said was that the company had made a magnificent bargain; we were going to coin money. She was surveyed for the purpose of insurance, and this is the report, which goes to establish that Mr. Seagar made a good bargain on behalf of the company, as far as such a certificate can show: "I certify that I have carefully examined this steamer as far as practicable afloat. I find her appointments for cargo-carrying, on a light draft, are as good as can be, and it would be difficult to design a better adapted vessel for the Mokihinui trade. With ordinary care she is capable of working that bar and river, or any similar places, with safety. Since her original construction she has apparently been strengthened by the application of transverse and longitudinal girders, so that her structural stability seems to be efficient. Captain Leys has been appointed to the command—he is a well-known man of experience and skill in bar work. I have every confidence in recommending the vessel as a good risk for insurance.—WM. BENDALL, Surveyor.—Wellington, 7th September, 1889." I think you will also find in the statement that Mr. O'Connor says that Mr. Seagar disobeyed his instructions. This is the survey report given in Sydney:—

"SIR,—

"Union Street, Balmain, 17th August, 1889.

"Having carefully examined the s.s. 'Lawrence,' I beg to hand you the following report on the construction and the general condition of the vessel:—

"The hull is constructed of iron, is 160 ft. long, 28 ft. beam, and 8 ft. 6 in. deep. The frames are of 3 in. by 2½ in. by ¾ in. angle-iron, spaced 21 in. apart, with reverse angle-irons on every alternate frame extending round the turn of the bilge. The floors are 12 in. deep. The deck-beams are 5 in. by 3 in. by ½ in., one on each frame, with welded gusset-plates and four rivets in each end. The deck, bulwarks, and hatch-combings are of iron ⅝ in. plate; the bulwark-plates are fitted with half-round bars on each side, forming the top rail, and well stayed to deck. The hull is divided by five water-tight bulkheads, the forward compartment used as a ballast-tank. The fore hatch is 20 ft. by 8 ft., the after 20 ft. by 12 ft. The fore-castle is raised above the main deck, affording accommodation for the ship's crew. The plating of the hull is of ⅝ in. plate; the bottom or keel plate is likely ¾ in. or ⅝ in.—being an inside plate, could not be measured. The appliances on deck for working ship consist of a patent windlass worked by a Mesinger chain from a double-purchase steam-winch on the fore part of main deck; a double-barrelled friction-winch for working cargo; a hot-air extracting-fan fitted to a ventilator in the after-end of main hold. On the bridge is fitted a steam steering-gear by Davis and Co., London. All these appliances are in good working-order, and supplied with steam from the main boiler as well as from the steam-winch boiler. The spars, derricks, running-gear, and sails are in fair order.

"The boilers: The main boiler is of the ordinary return tubular type, with three furnaces, 3 ft. 2½ in. inside diameter; the shell is 13 ft. diameter and 10 ft. long; the shell-plates, ¾ in.; furnace-plates, ¾ in. top and ½ in. bottom. This boiler is clean inside, and free from corrosion or pitting, and shows no signs of weakness in any part. The working-pressure is 80 lb. per square inch. The steam-winch boiler had steam up and could not be examined inside, but from appearances is in good condition, and of sufficient size to do the work required.

"The engines: Two pairs of direct-acting inverted compound surface-condensing engines, by