

The *Argus*, which had initially opposed subsidising the mail steamer service, did change its position and came to support a Victorian subsidy for the enterprise. Subsequent debate, however, centred not on this point but on Vogel's improper use of his official position. In signing the agreement with Hugh George, he had acted on his own initiative without a mandate from his political colleagues. Montrose's statement that ' . . . [Vogel] acted on his own personal responsibility without in any way consulting his colleagues who were ignorant of what he had done until I myself actually informed them'⁵⁰ was not challenged.

As eventually stated by Vogel's ally, the *Wellington Independent*, Vogel's aim was to re-establish a Government news service:

Mr Vogel's idea was that it would be a good thing for the colony if the Government were to purchase these telegrams, with the view of supplying them to the papers in New Zealand free of cost except wire charges, the Government trusting to more extended use of the wires to recoup it for the outlay; but in the arrangements with Mr George he did not in the slightest degree commit the Government and ultimately the sale was made to Mr Vogel himself, or any association to which he might transfer it.⁵¹

The inference is that Vogel did not receive sufficient support from his Ministerial colleagues to re-establish government control of news telegrams. As a result Vogel began a private agency managed by Holt and McCarthy but under his own control.

The events were viewed more harshly by Vogel's opponents. On 29 April 1872 the *Evening Post* reported:

Mr Vogel's agreement with the Australian Associated Press, in regard to the English telegrams, was of the double blooded character we predicted. He made it in his capacity as a member of the Government, and used his influence as such to induce Mr George to come to terms with him, but, knowing he had no authority to enter into such a contract officially, he added a proviso, that in the event of the Government refusing to ratify it, he would in his other capacity, as proprietor of the Southern Cross, carry it out himself.

The opposition was heated, with continued reference to such matters as 'the unscrupulous use Mr Vogel has made of his official position as Treasurer of New Zealand to further his own individual interests in the matter of Press telegraphy'.⁵²

The Holt and McCarthy agency was to have a commanding position in the collection of news, and Vogel's exclusive purchase of the Reuters agency gave him domination in New Zealand of overseas news despatches. Initially, however, the agency was not conceived as monopolistic. The original intention was to restrict membership to morning newspapers and, in spite of the political nature of the debate concerning the foundation of the agency, its membership was considered only on commercial grounds. The rationale for this