THE MARYLAND NEWS SHEET.

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SEE FOURTH PAGE.

LATEST NEWS.

TELEGRAMS.

FROM EUROPE.

Arrival of the Nova Scotian.

THE LONDON TIMES OPPOSES ANY INTERFERENCE IN AMERICAN AFFAIRS.

PORTLAND, February 5.—The steamer Nova Scotian has arrived with Liverpool dates to the 24th ultimo. The steamers Etna and Norwegian had arrived out.

The London *Times*, n an editorial, opposes any interference by England in American affairs.

The brig West Indian had arrived at Liverpool with a cargo of turpentine from Charleston.

The sales of cotton at Liverpool in four days preceding the sailing of the Nova Scotian amounted to 17,000 bales. Prices were irregular and had a downward tendency

Consols closed at 92¼@93 for money.

The Latest.

The brig Neapolitan, from Messina for Boston, was burnt at sea by the privateer Sumter. It is reported from Algeria that a prolonged cannonade was heard off that coast, and a vessel was subsequently sighted, believed to be the Sumter, which it was supposed had sunk her adversary.

The London *Globe* argues that the maritime Powers cannot be expected to respect the Southern blockade unless really effective.

Several wrecks are reported, with loss of life.

It is expected that all the colliers recently buried by the coal-mine accident have perished, as six days elapsed without any being rescued.

Mr. Massey, a member of Parliament, in a speech to his constituents, advocated European interference to close the struggle between the North and the South, by recognizing the Confederate States and breaking the blockade. His speech had attracted attention.

The *Times* says:—"Let France interfere if she likes England's line of policy is to suffer a little longer, and let the event work itself out. It will not be long. It may indeed be doubtful whether our interference would not rather retard than hasten the desired event of opened ports and a large supply of cotton. Let us, then, pursue our honest policy of standing quite aloof."

The Manchester *Guardian* argues in a somewhat similar strain, and says: "It is a question whether the prevailing distress is not as much attributable to over-production as to a mere dearth of cotton."

The *Times* publishes a letter calling attention to the fact that the United States gunboat Tuscarora has infringed the rules of neutrality, and calling on he Government no longer to tolerate such a flagrant disregard of neutral rights.

It is represented in England that Charleston is well defended, and that between that city and Savannah Gen. Lee had 40,000 troops.

FRANCE.

M. Fould's budget has been published, causing great excitement on the Bourse, and a decline in the funds. There were was some recovery at the close.

The London *Times* congratulates Europe that the military force of France bids fair to shrink to reasonable limits.

The French Government journals continue to make the most of the Charleston blockade.

The Sumter reached Gibraltar on the 19th of January, and during her passage thither burnt an American bark and captured a brig. The latter, however, was released.

Six of the Sumter's crew deserted at Cadiz and made their submission to the American consul.—The Captain of the Sumter claimed them as deserters, but the Spaniards declined to give them up.

The text of Earl Russell's letter to the Liverpool Shipowners' Association has been published. He says that England notified Lord Lyons when the stone fleet was preparing, that such a blockade would seem to imply despair of a restoration of the Union, and could only be adopted as a measure of revenge. As the project had been carried into effect at Charleston, Lord Lyons would be instructed to make further representations, with a view to prevent similar acts.

It is stated also that the French Minister at Washington has been furnished with the disapprobation of the French Government, and would join Lord Lyons in the protest.

It is represented that the initiative in proclaiming the blockade ineffectual would be taken by France.

THE LOANS.

The London *Times'* city article says: An uneasy feeling prevails that an avoidance of complications in connection with American politics cannot be permanently anticipated. The belief gains ground in an intervention by the French Government respecting the blockade.

The brig West Indian arrived at Liverpool from Charleston on the 24th December, with a cargo of spirits turpentine. The captain represents the blockade as ineffectual, and says that the stone blockade, instead of stopping the entrance to the port, will eventually deepen the shallow channels, and the citizens of Charleston have very little uneasiness on the subject.

SHIP NEWS.

Arrived from Baltimore, Isabella at Portsmouth. Sailed for Baltimore, John Clark, from Liverpool.

COMMERCIAL INTELLIGENCE.

LIVERPOOL, Saturday, January 25.—The sales of Cotton for the week amount to 24,000 bales at a decline of ⅛@⅛d. The sales of Friday were 6,000 bales, the market closing steady.

Breadstuffs have a downward tendency.

Provisions are steady.

Consols closed at 92⅜@93 for money.

FROM WASHINGTON.

The Reciprocity Treaty.

WASHINGTON, Feb. 5.—The report made from the Committee of Commerce to-day, by Representative Ward, is adverse to the proposed abrogation of the reciprocity treaty, but advocates an enlargement of its commercial connections, with a view to render reciprocity more certain and substantial. It discusses the extent, population and resources of the British North American Provinces and Possessions, together with other questions including the right of the United States to a just reciprocity, and the fiscal reasons for an American or continental system. It appears that the value of Canadian productions has increased 20 per cent. by the treaty, while the United States tax Canadian productions only $25,000 per annum. Canada taxes our productions $1,000,000, and also has an unfair system of discrimination against the United States. The report was re committed for the further action of the committee.

The Tax Bill.

WASHINGTON, February 5.—The Sub-Committee of Ways and Means has prepared a rough draft of the new tax bill, which will at once be printed for private use, and to be laid before the full committee for their final action.

Important from the West—Advance of Gen. Grant Against Fort Henry—A Fight Expected.

CAIRO, Feb. 5.—The force under Gen. Grant arrived at this landing, six miles below Fort Henry, yesterday afternoon. The gunboats Essex and St. Louis made a reconnoissance of the Confederate works for the purpose of landing the forces. They went within half a mile of Fort Henry, throwing several shells inside the entrenchments.

The enemy returned the fire and one shot struck the Essex, going through the corner of Capt. Porter's cabin, but doing no other damage. The range of the Confederate guns being ascertained, a place was selected for landing, which was accomplished yesterday afternoon.

The force of the enemy is supposed to be fifteen thousand.

A despatch dated to-day says that Gen. Grant's force is within four miles of Fort Henry, and a fight was expected to-day.

The War in Missouri.

ST. LOUIS, February 4.—Advices from the West state that the 7th regiment, Colonel Stevenson, left Lamine for Lexington on Monday, and will hold that post during the winter. They cannot reach that place too soon. Information has been received that the day after that place was evacuated by the Kansas 1st regiment the Confederates cut down the American flag. On the Sunday following, the notorious Joe Shelby, with a gang of freebooters, took possession of the town.

All the troops along the line of the Pacific railroad, west of Jefferson City, are under marching orders. The Nebraski 1st regiment is going across the country to Kansas. A number of regiments are going south to join General Davis, and Brigadier-General Steel's brigade is coming down the road to be forwarded to Kentucky. General Pope will remain and make his headquarters at Jefferson City.

From New Mexico.

KANSAS CITY, February 4.—The Santa Fe mail, with dates to the 20th of January, has arrived.—Nothing of interest has occurred in the Territory since the departure of the last mail.

The Indians are more troublesome than ever, killing the Mexicans and driving off their stock.—Six dead bodies were brought to Albuquerque last week. All the able-bodied men are in the field, leaving the old and feeble to protect their homes.

There has been no advance of the United States troops southward, and there are no signs of the Texans coming up the Pecos.

Travellers Lost in the Mountains.

ST. LOUIS, Feb. 5.—A despatch from Salt Lake says that two Frenchmen, named Silver and Levine, started sometime since for Rocks Ridge to go to Torrid river Mountains—but were overtaken by a storm and lost their way. After wandering twenty-two days they found the telegraph poles, where they remained till picked up by the stage in an exhausted condition, having eaten their dog and a portion of one horse, and a beaver hat, to sustain life.

Arrival of Steamers.

NEW YORK, Feb. 5.—The steamers City of Baltimore, from Liverpool, and the Hansa, from Bremen, have arrived. Their advices have been anticipated.

Election at Lancaster.

LANCASTER, February 4.—George Sanderson was re-elected Mayor to-day, over Dr. Cassidy, the Citizen's Union candidate, by 84 majority. The contest was very warm.

CITY INTELLIGENCE.

THE MARYLAND HOSPITAL FOR THE INSANE.—The President and Board of Visitors of the Maryland Hospital for the Insane, at Baltimore, have submitted to the Legislature of the State their annual reports of the financial and medical operations of the Institution for 1860 and 1861. The Institution has never been in a sounder state in all respects, notwithstanding the hard times and the difficulty of collecting. The report of the Committee on Accounts shows that it is out of debt for current expenses, has a balance of cash on hand, and holds accounts against some of the counties and a few individuals. The present favorable condition of the financial affairs is attributed to the efficiency of the officers and their attention to their respective duties, and the fact that contemplated improvements have been postponed until more prosperous times. Economy has been exercised, yet it has in no case been permitted to interfere with the comfort of the patients.

The financial report for 1860 shows the receipts for the year, including a balance of $709.20 on hand 1st January, to have been $24,041 68. The disbursements for the same period amounted to $23,760.84, leaving on hand a balance of $280.86. The debts due the Institution at the close of the year amounted to $2,711.63, while the debts incurred and remaining unpaid amounted to $1,534 99. The receipts for 1861, including a balance of $280.84 on hand 1st January, were $24,496 24. The disbursements amounted to $22,920 77. The debts due amounted to $2,021.08 The balance in favor of the Hospital at the close of the two years is $3,496.55.

The report of the Medical Superintendent for 1860 shows that there were under care at the end of 1859, one hundred and six patients; one hundred and two have been admitted during the year; the whole number has been two hundred and eight.—There have been ninety-three discharges and ten deaths; leaving at the end of the year one hundred and five in the Hospital—fifty-six males and forty-nine females. Of paying patients there were one hundred and forty-three under care; forty-seven males, including twenty-six cases of *mania-a-potu*, have been discharged as recovered, and also four females; nineteen males have been discharged as improved, and also twelve females; five males and four females have been discharged as unimproved; there have been eight deaths.

The whole number of poor patients under care has been sixty five, thirty-nine from the counties and twenty six from the city of Baltimore. Of these, one from the city was discharged as improved; of those from the counties, two were removed by Washington county to the Almshouse; and two females died—one from St. Mary's and the other from Cecil.

For 1861, the medical report shows that at the close of the year 1861 there were one hundred and five patients under care. During the year 1861, one hundred and four were admitted: seventy-seven males, (of whom thirty-two were affected with *mania-a-potu*,) and twenty-seven females; the whole number has consisted of one hundred and thirty-three males and seventy-six females, making together two hundred and nine. There have been ninety-two discharges and seven deaths—leaving at the end of the year one hundred and ten in the Hospital, fifty-four males and fifty-six females.

Of paying patients there were one hundred and forty-two under care; forty-four males, including thirty cases of *mania-a-potu*, have been discharged or recovered, and also six females; twenty-six males and nine females have been discharged as improved; there have been five deaths. Sixty-seven poor patients have been under care. Forty were from the counties and twenty-seven from the city of Baltimore. Two of those from the city have died, a male and female. The number from the city now in the Hospital is the number to which the city is entitled, viz: twenty-five. Of the patients from the counties, six have been discharged as recovered, five males and one female; and one male as improved.

The financial condition of the Hospital, at the commencement of the year 1862, is sufficiently favorable to justify the opinion that the Institution will go through this year propitiously, and probably the next also. It is not deemed necessary to ask, at this time, any aid from the Treasury of the State.

MEETING OF THE CHILDREN'S AID SOCIETY.—The regular monthly meeting of the Managers of the Children's Aid Society was held at the "Home," No. 7 Courtland street, on Tuesday afternoon, February 4th, 1862. The report of the Agent, Mr. Wm. C. Palmer, for the month of January, was as follows:

Children received into the "Home," 10; children sent to homes in the country, 3; children now in the "Home" under consideration, 1; children returned to their parents from the country, 1; children returned to their parents from the "Home," 4; children under consideration now with parents, 2; children now in the "Home," awaiting homes, 8; children strayed away from homes in the country, 1; children returned to the "Home" from the country, 1; applications received from parents and guardians, 5; applications received from the country, 10.

The actions of the Trustees of the Almshouse were unanimously adopted by the Trustees of the Almshouse:

RESOLVED, That the object of the Children's Aid Society commends itself to the approbation of the friends of destitute children; and that inasmuch as the labors of those benevolent ladies and gentlemen who are charged with the management of that excellent institution are directed to the single object of providing homes for those that cannot provide for themselves, where proper attention will be paid to their physical wants and to their religious and intellectual culture, the Trustees of the Poor of Baltimore City Almshouse will, upon application by the President or any authorized agent of the Children's Aid Society, discharge to the care of the latter any of the children who may be in the Almshouse that the Trustees would be willing to bind out to service; provided said society will, every three months, report to the Trustees of the Poor what provision it has made for the children so discharged and placed under its protection.

Resolved, That the further to cooperate with the society, the latter may return to the Almshouse any of the children it may take therefrom in the event of such children being returned to its charge by the parties with whom they may have been placed on trial.

Resolved, That the agent be directed to furnish a copy of the foregoing resolutions to the President of the Children's Aid Society.

The petition to the City Council, asking an appropriation, was read and approved.

The Executive Committee reported that the agent, Mr. Palmer, had been directed to take the children then in the "Home" into Pennsylvania to obtain homes for them, and that he is now absent in the discharge of this duty.

THE PUBLIC SCHOOLS.—It will be remembered that a few days since a resolution passed the First Branch of the City Council directing the Public School Commissioners to dismiss all teachers from the schools whose sympathies are with the South. At a meeting of the Board on Tuesday last, the resolution was brought to the attention of the Commissioners. After considerable discussion, Mr. Reese moved to lay the subject on the table, pending which Mr. A. D. Evans offered the following preamble and resolution as a substitute:

WHEREAS, Rumors injurious to the teachers of the Public Schools are afloat in this community, and believing it the duty of the Board of Public School Commissioners to examine all matters in relation to the efficiency and good conduct of all persons employed in schools under their charge; be it therefore

RESOLVED, That it shall be the duty of committees appointed for the several schools to make *immediate* inquiry in relation to the efficiency of the teachers under their charge, and to ascertain if any of them have introduced "*disloyal*" sentiments or in any way encouraged "*Secession*" before the school in which they are employed.

Resolved, That it shall be the duty of the President, at every meeting of the Board, to call for reports from the several committees in relation to the above resolution, and shall so continue until each committee shall have reported to the satisfaction of the Board.

After a few remarks by the President of the Board, the whole subject was laid on the table.

THE NINETEENTH ANNUAL REPORT OF THE MOUNT HOPE INSTITUTION.—William H. Stokes, M. D., has presented to the public the nineteenth annual report of the Mount Hope Retreat for the Insane.—The experience of Dr. Stokes makes his report the more acceptable to the public, and his pathological investigations of the various forms of disease coming under his notice, are all embraced in his report.—The whole number of insane patients admitted into the institution in the period of nineteen years since its foundation has amounted to two thousand four hundred and thirty-nine. On the 1st of January, 1861, there were in the house one hundred and eighty-seven insane patients—seventy-two males, and one hundred and fifteen females. During the year ending January 1st, 1862, there were admitted one hundred and twenty-one—seventy-three males, and forty-eight females; making in all three hundred and eight insane under care in the course of the year. In addition to this number of insane, there were thirty-five cases of mania-a-potu, thus giving an aggregate of three hundred and forty-three cases, that have, the past year, participated in the benefits of the institution.

There have been discharged one hundred and eleven insane—sixty-three males and forty-eight females; leaving on the 1st of January, 1862, one hundred and ninety-seven—seventy-eight males and one hundred and nineteen females.

The institution thus commences the year with ten more insane patients in the house than ever before.

Of those discharged, forty-two had recovered, thirty-nine had improved, sixteen were unimproved, and fourteen died.

A table is submitted showing the number of insane admitted from January, 1861, to January, 1862, when the whole number of patients was 343.

In considering the affairs of April last the author of the report makes some statements which will be regarded with a great deal of interest and excite remark among medical and thinking men of all classes. They should be read in the report to be appreciated.

The endowment of free beds for the indigent insane is noticed.

A description of the new Mount Hope Retreat closes the report. The new institution is on the Reisterstown road, about seven miles from the city.

SERENADE.—Last night the band attached to the Front Street Theatre, under the direction of Prof. L. Winter, proceeded to the residence of Thos. H. Ellis, Esq., on South Gay street, where they played several tunes. Mr. Ellis invited them in and treated them in a most hospitable manner. They then proceeded to the residence of Chas. H. Craft, Esq., the treasurer of the theatre, South High street, where they again discoursed most eloquent music. True to his nature, the recipient of the compliment compelled all to partake of his hospitality. Col. E. Stansbury, on Albemarle street, was next serenaded, and there was a repetition of the liberal hospitality already referred to. The band played with good taste and proficiency.

FIRE.—Yesterday morning about 9 o'clock fire was discovered in a house on Dallas street, near Bank street, occupied by negroes, and before it could be extinguished two beds and several pieces of furniture were destroyed. The origin of the fire is not known.

LARGE HAUL OF COUNTERFEIT MONEY—ARREST OF TWO PARTIES.—Captain John L. Bishop, of the Western police station, several days since received some information which led him to suspect that there was a concerted movement on foot between a gang of counterfeiters for the circulation of a large quantity of neatly executed counterfeit coin and bank notes. He accordingly set to work to ferret out the guilty parties, and through an arrangement effected by him two parties were yesterday arrested with a quantity of counterfeit money in their possession. The two parties in question, who are young men of rather good address, one of them giving the name of William Hluvett and the other calling himself Ezekiel Cade, yesterday entered the grocery and liquor store of Mrs. Moran, on Little Monument street, and offered to sell her one hundred dollars of the counterfeit notes for $25 in good money. Mrs. Moran, who had been previously put on her guard by Capt. Bishop, told them that she would see about it, and asked them if they would not have something to drink. They consented to take something, and while waiting for some water to become heated Mrs. Moran left the house and informed three policemen, Walters, Sauerwauld and Gamble, of the presence of the counterfeiters. They entered the house suddenly and captured the party, who were taken before Justice Logan for an examination, which resulted in their being committed to jail in default of bail to answer before the Grand Juries of the Criminal and the United States District Courts. A search of their persons disclosed $180.30 in spurious coin—half dollars and ten-cent pieces—and $334 in counterfeit notes on banks purporting to be in Pennsylvania, New York and Massachusetts, divided as follows: $201 on the Bank of Columbia, Pa.; $150, in fives, on the Rhinebeck Bank, New York, and a $3 note on the Royalston Bank, Massachusetts. The coin was divided thus: $180 in half dollars, wrapped in paper packages, which paper was blank bank check, torn in two pieces. There were three ten-cent pieces. Some of the money presented the appearance of having been recently brightened by the use of "whitening." Captain Bishop also obtained $45 in notes of the Rhinebeck Bank from a party with whom it had been left by one of the parties arrested.

THE AUTHORITY OF SECRETARIES STANTON AND SEWARD DEFIED.—We have been informed that for several days past, Capt. Stuart L. Johnston, of the Confederate army, has been sojourning at Barnum's Hotel, in this city, awaiting transportation to Fortress Monroe, which, it appears, has been attended with some difficulty. He was released from Fort Warren, by order of Secretary Stanton, to go South to be exchanged for a United States prisoner of equal rank. His discharge was signed by the Secretary of War and countersigned by Col. Dimmock, in command at Fort Warren. A few days since he proceeded to the wharf of the boat for Fortress Monroe, but upon exhibiting his "pass" to the military officer in charge of the boat, he was informed by that person that he would have to secure the name of Gen. Dix to his "pass." Capt. Johnston returned to the hotel and having procured the signature of Gen. Dix, again went to the boat and was again refused passage, the officer informing him that the signature of Secretary Seward would be necessary to secure him passage on the boat. The Captain returned and the next day proceeded to Washington and secured the "pass" of Secretary Seward. With all these documents he went to the boat yesterday afternoon and was again refused passage. He then went to the office of Gen. Dix and informed that officer of the state of affairs, when a despatch was sent to Washington by telegraph to ascertain whether or not he should be allowed to go. An affirmative answer came back. He then again went to the boat, but was refused passage, and thus the matter stands.

A NEW ASSESSMENT.—Yesterday afternoon Mr. Cromer presented the following preamble and resolution, in the First Branch of the City Council, relative to a new assessment of the property in the city. It was referred to the committee to whom it is directed:

WHEREAS, It is notorious that the valuation and assessment of property in the city of Baltimore, made under the provisions of the ordinance approved May 26th, 1858, is, in numberless cases, much above the actual value of the property.

And, whereas, whilst the levying of taxes upon said assessment, for city purposes alone, makes but little difference to the general tax payer, but as it is known that the General Government is about to levy upon the State of Maryland its proportion of the War Tax, a reduction in the basis of assessments seems to be loudly called for; therefore

RESOLVED, That the Joint Select Committee on Amendments and Alterations to the Code, be requested to take into consideration the propriety of asking the General Assembly of Maryland, at its present session, to pass an Act authorizing the Mayor and City Council of Baltimore to provide for a new general valuation and assessment of property in the city of Baltimore.

A CASE OF SWINDLING.—An old man named Hamilton was badly swindled on Monday night last by two "sharpers," in the vicinity of the Susquehanna depot. He was about purchasing a ticket at the office when he was approached by the two swindlers (a question which never fails to elicit a ticket.) The old man replied that he had but $30, and expressed a willingness to change it if possible. They took his money without proving a specific charge against a Senator, he was to be expelled because he was "not fit to be a member." In what way was this to be determined, and who is to judge? Others on this ground would long ago have gone out from this chamber. The argument of Mr. Cowan, of Pa., in which he held that the Senator from Indiana was entitled to be dealt with as if before a jury, was just and correct. Mr. Bright was not tried as a traitor; that was not the charge, and therefore he should not be dealt with as such.

The case of the Senators, Jefferson Davis, Polk and others, was not parallel. They had severed themselves from this body and joined the enemies of the country. On the other hand, Mr. Bright was here in the discharge of his duties, representing a loyal State, as a loyal man, though he doubtless had inherited political ideas of which he could not divest himself. He referred to the effort to instruct him on this subject which was being made in the New York Legislature, and in one or more other States to instruct others, under the exploded doctrine of the right of instructions, which was but the offspring of the well-nigh fatal doctrine of States rights. This movement had originated through the action of nineteen of his colleagues in the other House. He had no complaint of their course, as they said it was for the honor of his State. While, however, he was always ready to avail of the counsel of his friends in any matter of legislation, he could not do so in this, a judicial matter.

Mr. DAVIS, of Kentucky, said that if he had made a dozen speeches in this case, it was because of the misapprehension or misrepresentation of his arguments. If he was the senior counsel for the prosecution, the gentleman from New York was the senior for the defence. He went on to repudiate the doctrine of Mr. Harris in regard to trial before the Senate.

Mr. FOSTER, of Connecticut, said that as the Senator from Indiana had yesterday had read certain resolutions selected from several passed by a Democratic Convention in Indiana, as indicating his views on the prosecution of the war, he would desire the whole series passed by that body should be read. He sent the resolutions to the clerk.

Mr. PEARCE, of Maryland, remarked that he did not see the propriety of reading other resolutions, whatever they might be, when Mr. Bright had selected two only as expressing his views. He objected to the reading.

The question was raised, under the rule, as to the right of a Senator to have a paper read after objection made. Some contended that the rule only applied to papers in possession of the Senate, but Mr. PEARCE said it was for the purpose of keeping out stuff, and for such cases as this.

The CHAIR decided that the resolutions could not be read by the Clerk, though Mr. Foster could read them as embodied in his remarks.

Mr. FOSTER said he did not wish to put upon Mr. Bright a single sentiment of opinion not his own. He then read the resolutions at length, as he said, to show the character of those who adopted those which Mr. B. did endorse. [The resolutions attribute the origin of the crisis in the country to Northern agitation of slavery, and denounce the purposes and principles of the Republicans; and also, as regards the surrender of Mason and Slidell, declare that if it was legally right to deliver them up, it should have been done at once, instead of waiting for the disgrace of doing it under a menace.]

Mr. BRIGHT said that he had only accidentally introduced the two resolutions which he did yesterday, by way of satisfying the gentleman from Virginia (Mr. Willey) as to a point on which he had said he would suspend judgment. But he would now say that he endorsed the whole series of those resolutions, adopted by the largest convention of his political friends which ever assembled in Indiana—he endorsed them in their full height, depth and breadth.

Mr. BAYARD, of Delaware, took the floor and urged at length that a Senator must be tried upon the established principles of evidence—either of being guilty or not guilty. But apart from these there were high principles to be regarded, if dignity and safety were to be preserved. He addressed himself then to the consideration of the extraneous matters which had been brought into the case, and in reference to the letter of Mr. Bright to Jeff. Davis, he said it did not indicate any treasonable intent.

He passed to the question of the state of the country at that time, and quoted again the letter of Mr. Seward to Mr. Adams, written forty days after the 1st of March, as showing that no state of war was then recognized by the Government, and that the idea was actually entertained then of a probable disposition of the question with the seceded States otherwise than by war. The Government was not regarded as "broken up" because those States had gone off. There was a Union without them, just as there had been before several of them were admitted into the Union. He asked was there not a Union before Florida was admitted, or Texas, and others? And would there not be without them? The question had been as to which was the best policy, which was for the greatest good and interest of all—the permitting of a separation without war, or the holding and subduing of the seceded portion without war.

It had been fairly determined that the latter was the best by the Government, and he doubted not its power in the premises. But the matter was under debate; those who advocated no war, and would have still looked to other measures, were simply in the same position of Mr. Fox and others, in the British Parliament, at the time of the American struggle. No one then accused Mr. Fox of treason or unfitness to be a member of the high legislative body of Great Britain. No one proposed to expel him because he took ground against the policy that that Government was then pursuing in regard to the revolted colonies.

It was simply a matter of State policy, and the result had proved Mr. Fox a wiser statesman than the great majority, and the popular opinion and clamor which then overruled him. But even supposing that it had turned out that Mr. Fox was wrong in his views, it would not have proved him a traitor or even disloyal. Passing then to the pressure and influences surrounding the case, Mr. B. referred to reports that party caucuses had been held on the subject.

Mr. BROWNING, of Illinois, and other Senators, declared that they had no personal knowledge of such caucuses, and Mr. Browning called on Mr. Bayard for his authority.

Mr. BRIGHT promptly interposed, saying that he had so informed the gentleman from Delaware, and his colleague (Mr. Lane) had at the opening of the session told him that because of the determination in caucus he could not bring in such a resolution for an investigation as Mr. Bright had asked him to do.

Mr. LANE explained substantially the general statement, but declaring that no conclusion had been come to in the caucus as to the result in Mr. Bright's case.

Mr. BAYARD closed with some further reflections on the partisan aspect of the case.

Mr. BAIGHT, no one else taking the floor, said that he would address a few words to the Senate before the vote was taken. He returned his thanks to the members of the Judiciary Committee, who had almost unanimously reported in his favor, and especially those whose able judicial arguments have been heard in his behalf.

The Vice-President, who, at the last session was a member of that committee, had, however, fallen way from that report, which for the sake of that gentleman and the principles of justice, he regretted. As he had said here formerly, and he supposed that he was to be arraigned on such a variety of charges by such a variety of persons, instead of the one charged of disloyalty as evidenced by the letter to Jefferson Davis, he might have been better prepared to meet it, and employed counsel. But he was glad now he had not done so. And all he had now to say was with the view of putting himself right before the country.

Mr. Bright entered into a history of his acquaintance with T. B. Lincoln for the last twenty-five years, whom he pronounced a most respectable, enterprising business man, and against whom he had never heard anything discreditable until his arrest in Cincinnati, in July last, on the charge of treason, when two letters were found upon his person purporting to be written by him, (Mr. B.,) one dated in June, 1860, introducing T. B. Lincoln to Captain Franklin, superintendent of the capitol extension, calling his attention to some invention of the former, and the other to Jefferson Davis, dated March 1st, 1861, introducing Lincoln as a person who wished to present an improvement in firearms. He read them to show that their language was similar, and therefore did not justify the effort that had been made to make the latter appear as particularly courteous and friendly to Jeff. Davis.

Touching upon the state of the country at that time, Mr. Bright referred to the compromise efforts and the cordon of border slave States which engaged therein, Tennessee, Virginia, North Carolina and others, at first pronouncing against secession; but Northern republicans refusing to meet them in like spirit, eventually changing their course. Then from the time of the issue of the President's proclamation we were not friends, but enemies, in a belligerent sense. Up to that time provisions, munitions, mails, &c., were freely sent South; then they were suddenly stopped, and after that he would not have given countenance to such a thing, or written the letter in question.

No one who had heard this address believed that that letter was the cause of his expulsion. With that letter before them, the committee had reported, 6 out of 7, in his favor. But when the matter came in here party drill was applied and the question brought to its present state. He repeated the declaration that he had no recollection of writing either the letter to Capt. Franklin or Jeff. Davis.

He referred to the fact that in 1850 he was one of the committee of thirteen, with Mr. Clay at its head, and Daniel Webster as one of its members, on the compromise measures—and to the fact that he had from the first opposed the sectional measure of the gentleman from Pennsylvania, (Mr. Wilmot,) the proviso which he wished to attach excluding the South from the Territories. Though representing a free State, he had never given a sectional vote.

He singled out these two political acts of his life as signal, though they were but consistent with his general course, and that of the State which had three times elected him to this body, and which had never yet given any indication of dissatisfaction with his action. He could not appeal to any or ask their votes, as the decision here should be on higher than personal grounds, but he would give the pledge of an honest heart to those who would place him justice here, and thus regard duly the honor and name of those whose life and welfare are linked with his, that they shall not regret it in the acts of his future life.

He had made no effort to gain influence in his behalf—it is to him that the Senate had been and would be to go out, he would hasten the desired peace. Point to him the path which would lead to peace and the star of a restored Union, and we will follow with any as long as there is the faintest glimmer to guide them—even with the gentlemen from Massachusetts, from New Hampshire and Pennsylvania.

Mr. Bright next made reference to the difference of bearing towards him by Mr. Johnson, of Tennessee, and Mr. Willey, of Virginia, both of whom he sympathized with in their sorrows inflicted by the rebellion. Mr. Willey having kindly asked him for explanation, on the letter to Mr. Fitch, written in September, declaring opposition to coercion, he said that he had on principle agreed with those who urged the policy of withdrawing the troops from Fort Sumter, a measure that was urged here and elsewhere, and which the Administration itself at one time contemplated and announced as its purpose.

Then it was said that coercion was war, and as the late deceased Senator from Illinois (Mr. Douglas) had declared, "war is diplomacy." He had ever, however, been opposed to the doctrine of secession. He dwelt somewhat on this point. Finally he remarked that it had been said he was to fall, but he should fall back into the ever just hands of the people of Indiana.

He might, however, go hence to a bastile, but it was not his fault if he did. It would only be by the force of power, which he could not control, but which additional blow, if it should come, he would accept with the same firmness and fortitude that he did the other one now aimed at his bosom.

Mr. TEN EYCK then addressed a few remarks to the Senate in reference to the pressure which had been brought to bear to induce him to change his determination in this case not to vote for the expulsion—saying that he had been both threatened and coaxed, and told that his political grave was dug; but as on the principles of justice and right, in this adjudical question, he could not change, he must, if needs be, fall into that grave. The storm may one day be succeeded by the calm of reason, but whether so or not he must follow the dictates of conscience and the light of law.

The question was then taken on the resolution of expulsion, (introduced by Mr. Wilkinson, of Minnesota,) by yeas and nays, and it was adopted, yeas 32, nays 14—just the requisite two-thirds vote, as follows:

Yeas—Messrs. Anthony, Browning, Chandler, Clark, Collamer, Davis, Dixon, Doolittle, Fessenden, Foot, Foster, Grimes, Hale, Harlan, Henderson, Howard, Howe, Johnson, King, Lane of Indiana, McDougall, Morrill, Pomeroy, Sherman, Simmons, Sumner, Trumbull, Wade, Wilkinson, Wilmot, Wilson of Massachusetts, and Wilson of Missouri—32.

Nays—Messrs. Bayard, Carlile, Harris, Kennedy, Latham, Nesmith, Pearce, Powell, Rice, Saulsbury, Ten Eyck, Thompson and Willey—14.

The Senate adjourn ed.

HOUSE OF REPRESENTATIVES.

On motion of Mr. SPAULDING, of New York, the House resolved itself into Committee of the Whole on the state of the Union, Mr. MALLORY, of Kentucky, in the chair, and took under consideration the House bill to authorize the issue of United States Treasury notes, and for the redemption or funding thereof, and for the funding of the floating debt of the United States.

Mr. CHRISFIELD, of Maryland, said the subject under consideration in this House was a grave one. He did not contribute to bring this Administration into power. He had known the President in former years, and he believed him to be honest, and he hoped, patriotic. He is elected President of the United States, and he would give the Administration, in this hour, a full, candid and energetic support. He would support him in this great work; and it is the duty of the citizens to sustain him. Especially did he desire to support the President in the financial policy, because that, of all others, is the most vital to the people. If that fails, all else fails; but if you fail to give him the means, his army must be disbanded—the Constitution will be overturned, and the country destroyed.

He was disposed to support every measure of finance having for its object the vigorous prosecution of the war, and the restoration of the Union upon the basis of the Constitution. We must to this end create a currency, create a public debt, and a scheme of just taxation to meet the requirements of the country. He was ready to go as far to establish a just scheme of taxation as he who dares go further, and to sustain the Government, and to keep the army and navy afloat. The only question is, how can this be done in a mode least prejudicial to the people and most convenient to the Government?

This is the great question of the times, and the one which lies at the foundation of all others, and on its solution depends our success in meeting the present emergency. We levy the taxes necessary for the support of the Government, and we negotiate loans to raise funds, and we provide a currency for the purpose of handling these immense amounts. The Committee of Ways and Means presents us with a bill providing a scheme for raising money, and promises us a second one to complete the scheme.

It proposes a tax of $150,000,000, and the House is called upon to pledge itself to raise it; but how we are to raise it the committee does not inform us. They propose a currency by issuing Treasury notes under authority of the bill, and by another bill, upon the public securities. And to lay a tax, they propose a bill which issues Treasury notes and causes them to be funded in public stocks. The committee should have started from a different point. They have commenced at the wrong end; the last proposed measure should be the first, and the first the last. They have begun at the top of the building, and they call upon us to build on with them to the bottom.

They ought first to have reported a tax bill laying a broad foundation for taxation, upon which the whole public credit reposes. They should have first determined that as the first series of measures, so that we might be able to judge what particular provision is necessary, and what is not necessary, in this particular measure. What is the propositions? It is to issue one hundred millions of treasury notes, without interest, payable at the pleasure of the United States, and to be received for all public dues and receivable for all dues from the Government by creditors of the Government.—These notes to be declared to be money and legal tender for all public and private debts over the whole land, the same to be refunded in public securities bearing six per cent. interest, this interest to be paid in the same promises of the Government.

These are the principles of the bill. Will it bring relief to the country, and is it consistent with the Constitution? He then proceeded to discuss the constitutionality of the bill. The legal tender clause of the bill stares us in the face as the most objectionable feature of the bill. This is a direct violation of the Constitution, and, in his belief, entirely irreconcileable with that instrument in any form. When gentlemen say that it is constitutional, he would ask them to point him to the clause. It is not necessary to trample upon the Constitution, and the public credit did not require it. These propositions are unnecessary, as they are unconstitutional.

Mr. PIKE, of Maine, proceeded to address the House in answer to the several objections of the bill relative to the "tender" clause. He advocated the bill as reported by the committee, without amendment.

Mr. ALLEY, of Massachusetts, in a lengthy speech in advocating the bill, said this question of making paper a legal tender was never before discussed since the adoption of the Constitution. He would no more vote for this bill without taxation than he would vote to sink the nation.

Mr. SPAULDING, of New York, moved that the committe rise for the purpose of limiting the debate, as he had just received a letter from the Secretary of the Treasury stating that it was absolutely necessary to press this bill to a vote.

Mr. HORTON, of Ohio, said he wished it understood that the Committee of Ways and Means did not make this motion, and hoped it would be voted down.

The committee refused to rise.

Mr. SPAULDING indicated certain gentlemen whom it was intended should speak.

Mr. JOHNSON, of Illinois, said if he understood the proposition, it was that certain members should speak and others not.

Mr. WRIGHT, of Pennsylvania, did not intend to inflict upon the House an hour's speech. He never felt more impressed than he did now as to how he should cast his vote upon this bill. He was willing to do anything that he could constitutionally do to bring about this result, of all others the most desirable, but at the same time he had a constitutional oath resting upon him; but if it must be done, it must be in a case of more extremity than now existing. He voted to legalize the act of the President in the suspension of the writ of *habeas corpus*.

Mr. HUTCHINS, of Ohio, rose to a question of order; that this was a special order, and the remarks of the gentleman are not relevant to the subject.

Mr. WRIGHT, resuming, said a second Daniel, though he came to judgment, has not thrown us from our platform. If there is anything which he disliked on earth it was to be interrupted by a gentleman who fancied he could see farther through a mill-stone than he (Mr. W.) could.

He was one of those who did not want to resort to subterfuges. He would vote taxation to its very limits. It was well said by the gentleman from Maryland, (Mr. Chrisfield,) that if we must resort to doubtful expediency, that resort be made the first and last act of the drama. This bill proposes to throw upon the country a hundred millions of notes payable nowhere, and yet it is designed to make it a legal tender, payable for all debts. He would say to the committee that Congress had not power to make anything the gold and silver a legal tender under the Constitution. It cannot be done.

Mr. HORTON, of Ohio, was opposed to the bill. The moral sense of the country would be outraged. Would it not be safer for us to go into the New England savings banks and say to them, you have the gold, and you must fork over; and then say to them, here are our bonds, you are safe? The Administration is going to do nothing until they put down this rebellion, and they are going to put it down in the quickest and cheapest way. There is no necessity at present to blight the fair fame of our Government, and set afloat the ship of state on a sea of bubbles, where ruin is inevitable.

On motion the committee rose, having come to no conclusion—when the House adjourned.

WAR ITEMS.

FROM WASHINGTON.

Special Washington Despatches to the New York Herald

THE FLAG OF TRUCE—THREATENED HANGING OF COLONEL CORCORAN AND OTHER OFFICERS IF THE MISSOURI BRIDGE BURNERS ARE EXECUTED.

The flag of truce from Rebeldom covered an immense area, and permit the Confederate leaders to countenance han