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FROM WASHINGTON.

THE WAYS AND MEANS BANK TAX AMENDMENT.

National Measures Pending in Congress.

Notice to Deserters from the Potomac Army.

SECRETARY SEWARD'S CONFIDENTIAL DISPATCHES.

One of the Dispatches Sent Unknown to the President.

A Third Congressional Mileage Proposed.

Special Dispatch to The N. Y. Tribune.

WASHINGTON, March 1, 1863.

WAYS AND MEANS BANK TAX AMENDMENT.

The bank tax amendment to the Ways and Means bills agreed upon at the meeting of the second Committee of Conference was in these words:

"And all such banks, associations and individuals shall also be subject to and pay a duty of one-half of one per centum each half year from and after April 1, 1863, upon the average amount of notes or bills not otherwise taxed herein, and outstanding as currency during the six months next preceding the return hereinafter provided for, and the rate of tax or duty imposed on the circulation of associations which may be organized under the act to provide a National currency secured by a pledge of United States stocks, approved July 25, 1863, and to provide for the circulation and redemption thereof, shall be the same as that hereby imposed on the circulation of all banks, associations, corporations, or individuals, but shall be assessed and collected as required by said act."

This amendment applies to the amount not touched by the original House bill, as well as to the excess over the amount in the graduated scale, making the tax two per cent per annum. The amendment respecting the tax on deposits is this:

"And all banks, bankers, associations, or corporations, excepting savings institutions, shall pay a tax of one-eighth of one per cent each month on the average amount of deposits over and above the average amount of its circulation, commencing the first of April, 1863."

NATIONAL MEASURES PENDING.

When the miscellaneous appropriation bill, the indemnity bill and the amendments to the tariff shall have been passed by the House, its labors of a national character will be done, bills of local and personal interest only will remain to consume the last hours of the session. It is doubtful if the tariff would have been touched if the pressure for the remission of the duty on paper had not been respected by almost every representative as a measure of justice as well as wisdom. Notwithstanding the persistency with which Messrs. Morrill and Horton in the Ways and Means room oppose the remission of the duty, it will be taken off by the House very certainly.

NOTICE TO DESERTERS.

Deserters throughout the north and west had better pack their knapsacks, and hurry back to the Rapahannock. Gen. Hooker is about to issue an order giving them just 20 days in which to save themselves from the fate to which he has made up his mind to subject deserters

SECRETARY SEWARD'S PRIVATE CONFIDENTIAL DISPATCHES.

A fact personally known to eight Senators bears upon the issue made by Secretary Seward's organ with those who aver that he has sent dispatches, some of which were not exclusively formal, to our Ministers abroad, without the knowledge of the President. At one of the interviews between the Committee of the Senate Republican caucus and Mr. Lincoln, the latter's attention was called to the following dispatch to Minister Adams, marked "No. 287 confidential."

DEPARTMENT OF STATE, WASHINGTON, July 5, 1862.

SIR: Your dispatch of June 20 (No. 176), has been received. It is satisfactory to know that a copy of my dispatch No. 260 has been received and read by Earl Russell. The subject it presents is one of momentous import. It seems as if the extreme advocates of African Slavery and it most vehement opponents WERE ACTING IN CONCERT TOGETHER TO PRECIPITATE A SERVILE WAR—the former by making the most desperate attempt to overthrow the Federal Union, the LATTER BY DEMANDING AN EDICT OF UNIVERSAL EMANCIPATION as a lawful and necessary, if not, as they say, the only legitimate way of saving the Union.

I reserve remarks on the military situation for a day nearer to the departure of the mail.

I am, Sir, your obedient servant

WILLIAM H. SEWARD.

CHARLES FRANCIS ADAMS, esq., &c.

The President, on hearing this brief but highly important dispatch (the essential point in which we italicise), expressed his surprise, and remarked that he had never heard of its existence before.

A THIRD MILEAGE FOR CONGRESSMEN.

The House yesterday tacked on the Miscellaneous Appropriation bill an amendment providing for a third mileage. It is doubtful whether, when the question comes up, a sufficient number will call for the Yeas and Nays. If they be not called, a third mileage will be voted. A majority will hesitate to put themselves upon the record in favor of such a proposition. If it gets as far as the Senate it will be choked quickly.

A CALLED SESSION OF THE SENATE.

There will be a called session of the Senate immediately after the adjournment on the 4th of March, at which unfinished Executive business will be disposed of. Probably most of the pending military nominations will lie over until after the 4th. Nominations yet to be made under the Conscription bill must also be passed upon.

CONGRESSIONAL MILEAGE.

The House in Committee on Saturday adopted an amendment to the miscellaneous bill, giving mileage for this session, voting down Mr. Fenton's proposition to reduce mileage for Senators, Representatives and Delegates hereafter to 25 cents per mile. It is now 40 cents per mile. It is thought in the House this amendment may yet prevail.

THE PRIZE LAW.

The bill amendatory of the Prize Law, introduced by Senator Grimes yesterday, has been subjected to the criticism of eminent Eastern lawyers. It aims to cure the defects and evils of existing acts which they have observed in their practice. It provides as follows:

SEC. 1. For the early sale of prize property such sale to be stayed by no appeal.

SEC. 2. Authorizes the War and Navy Departments to take vessels and munitions of war at the appraised value.

SEC. 3. Cuts down auctioneers fees 50 per cent, requires sales to be advertised, and guards against fraudulent combinations.

SEC. 4. Changes the 3d Section of the act of March, 1862, with regard to counsel for captors.

SEC. 5. Provides that one of the Prize Commissioners shall be a retired naval officer.

SEC. 6. Regulates witnesses fees.

SEC. 7. Declares that appeals shall lie from the District Courts direct to the Supreme Court.

THE DISAGREEMENT BETWEEN THE SENATE AND HOUSE ON THE BANK TAX.

The following is the vote in the House on Friday on Mr. Washburne's motion that the House recede from its disagreement to the Senate's amendment to section 25 of the Ways and Means bill relative to the Bank tax:

YEAS—Messrs. Aldrich, Ashley, Babbitt, Bailey, Beaman, Bingham, Blair (Pa.), Blake, Bridges, Buffinton, Calvert, Casey, Colfax, Conway, Davis, Eliot, Samuel C. Fessenden, Thomas A. D. Fessenden, Fingers, Fisher, Goodwin, Granger, Hahn, Haight, Hale, Harrison, Hooper, Hutchins, Julian, Kelley, Kellogg (Mich.), Kellogg (Ill.), Lansing, Lazear, Melindee, McKean, McKnight, Pherson, Moorhead, Morrill (Me.), Olin, Patton, Phelps (Cal.), Pike, Rice (Me.), Riddle, Sargeant, Shanks, Shellabarger, Sherman, Sloan, Thomas (Md.), Trimble, Trowbridge, Vandever, Verree, Walker, Washburne, Webster, White (Ind.), Wilson, Windom, Worcester—63.

NAYS—Messrs. Allen (Ohio), Allen (Ill.), Alley, Ancona, Baker, Baxter, Biddle, Blair (Va.), Brown (Va.), Campbell, Chamberlain, Clark, Cobb, Frederick A. Conkling, Roscoe Conkling, Cox, Crisfield, Cutler, Dawes, Delano, Delaplaine, Dunlap, Dunn, Edwards, Ely, English, Fenton, Foake, Franchot, Frank, Gooch, Grider, Harding, Holman, Horton, Johnson, Kellinger, Knapp, Maynard, Menzies, Morrill (Vt.), Morris, Nixon, Noble, Norton, Nugen, Pomeroy, Porter, Rice (Mass.), Robinson, Rollins (N. H.), Sedgwick, Sheffield, Shiel, Smith, Spaulding, Steele (N. J.), Stevens, Stiles, Stratton, Thomas (Mass.), Vallandigham, Voorhees, Wadsworth, Wallace, Ward, Wheeler, White (Ohio), Wickliffe, Wood, Woodruff, Wright, Yeaman—75.

To the Associated Press.

WASHINGTON, March 1, 1863.

RESIGNATION OF GEN. FARNSWORTH.

Brigadier-Gen. Farnsworth of Illinois, formerly Colonel of the 8th Illinois Cavalry, who was appointed a Brigadier-General in November last, has resigned. He is among the number selected by the War Department, from the numerous appointees, for confirmation by the Senate. But he resigns partly on account of ill-health, and partly because he is member elect of the next Congress, commencing on the 4th of March.

THE AMENDMENTS TO THE TAX LAW.

It is the opinion of Congressmen, best acquainted with the subject, that the amendments to the internal tax law, if they had been agreed to by the House in the form originally reported, would have increased the revenue. But this they consider doubtful in the modified form. The main purpose of the amendatory bill was to remedy existing defects. Mr. Daly, delegate from Nebraska, succeeded in having a clause inserted to dispense with collectors and assessors in the Territories after the present assessment shall have been collected, for the reason that the expenses of collecting absorb all the revenue received. The stamp tax, however, is retained.

GEN. COCHRANE'S RESIGNATION.

The resignation of Gen. John Cochrane has been accepted by the President for reasons by himself stated. He designs in other fields to continue his support of the war for the Union. The officers of his brigade accompanied him in a body to the cars at Falmouth on his departure. The following is his farewell address:

HEADQUARTERS FIRST BRIGADE, 3D DIVISION, 6TH CORPS, ARMY OF THE POTOMAC, Friday, Feb. 27, 1863.

SOLDIERS OF THE FIRST BRIGADE: My command over you has terminated. Serious physical maladies, induced by the unaccustomed exposure of nearly two years of military life constantly in the camp, on the march or in the field, have unsuited me now for the duties of any active campaign.

For this reason my resignation severs my connection with the service; but I should trample on the most sacred emotions did I depart from among you in silence. We began our march and have traveled over fields together. Where we lay one sky covered and one flag protected us, and when we arose it was to the same reveille. Your toil has been my toil, and your battles mine. To Fair Oaks, Malvern Hill, Antietam, Williamsport, and Fredericksburg, our memories revert together as to the fields hallowed by the bravery and by the blood of our brigade.

Soldiers graves are there filled with our dead, and we, their survivors, bear their names upon our hearts where, too, their names are inscribed. Soldiers, for your country have you bore all, per led all, suffered all, and for that country will you still bleed and still endure till you have seized from the teeth of this monstrous rebellion the dear inheritance of your children, one name, one country, one home.

I shall not be with you, nor shall I strike at your side; but whenever, in other fields, bending beneath grievous burdens, I may weary or faint, one thought of your brave hearts shall revive resolution and reinvigorate effort in our common cause.

You are of the Army of the Potomac. High hopes rest upon you, and fervid prayers supplicate your success. Objects of hope and subjects of prayer, comrades in arms, your future is fraught with the destinies of the coming generations.

Though sometimes checked yet never defeated, though sometimes baffled yet never beaten, the victories of your past are still within hail of your victories to come, your country's cause rests upon your arms, and your standards will still gild the day o. success. Soldiers, farewell!

JOHN COCHRANE,
Brigadier-General Commanding 1st Brigade.

FROM SOUTH CAROLINA.

The U. S. steam transport Arago, Capt. Henry A. Gadsden commanding, from Port Royal, S. C., at 1 p. m. on Wednesday, Feb. 25, consigned to Major Stewart Van Vliet, Quartermaster U. S. A., arrived on Saturday morning, reports arrived at 5 a. m. time 61 hours. The Arago brings 70 first-class and 130 second-class passengers, and the usual mails. Passed in Bay of Port Royal, bound in, schooner E. B. Bennet and ship Houston.

We are indebted to Purser Grautegein for prompt delivery of our correspondence.

The Freaks of Major-Gen. Foster.

From Our Special Correspondent.

HILTON HEAD, Feb. 24, 1863.

Those that have watched the successive stages of the temper of the loyal people since the outbreak of the civil war will agree that the present depression of the public mind is due not so much to lack of patriotism and faith in the righteousness of the cause of the Union, as to diffidence, if not despair, of the competency of those trusted with the rescue of the nation from the vital perils of disintegration. The rack of deferred hope, created by the elements of unfitness, selfishness, and want of rectitude in the directing influences in the national councils and the executive agencies in the field, has well nigh unstrung the popular nerves. One should think that, after the harrowing lessons of the last two years, the criminal sacrifice of national to personal interests by the countenance and support of incompetent individuals and individual aspirations that has been the source of so many of our misfortunes, would cease.

But it seems that, even at this time of national agony, the country is still to be tantalized by instances of petty jealousy and reckless ambition, with all their ill-gotten fruits, on the part of men occupying the most responsible positions. One of these—the difficulties between Major-Generals Hunter and Foster—I feel it my painful duty to record in the following: I have so far only made incidental allusions to this painful subject; but as certain Northern journals have taken it up and indulged, either from ignorance or intentional distortion of the facts in the case, in unjust comments, it is but proper that the truth should be known and the blame made to rest on the right shoulders. I state plain, unvarnished facts, long before this laid before the authorities in Washington.

After his last expedition toward the interior of North Carolina, it will be remembered, Gen. Foster paid a visit to Washington. There he was met by Gen. Hunter, who, being about returning to this Department, and knowing his familiarity with the harbors of Savannah and Charleston, and their old defenses, invited his suggestions in connection with the offensive movements contemplated against those cities. Desiring to have the more direct benefit of Gen. Foster's advice, Gen. Hunter, in the intercourse thus opened, proposed that he should participate in the coming campaign. To this Gen. Foster assented, provided the consent of the War Department could be obtained. At the request of Gen. Hunter, the Secretary of War granted the required permission.

At the time this took place, Gen. Hunter had already the promise of the War Department of reenforcements, and orders directing them to be sent from Gen. Dix's Department and North Carolina, had gone, or were about going forward.

Upon his return to this point, Gen. Hunter, of course, expected Gen. Foster to arrive with the reenforcements, according to what had been arranged in Washington. As Gen. Foster was not formally assigned to duty in the Department of the South, Gen. Hunter expected him only as a guest or a temporary visitor. Still he intended to invite him to act as second in command, should he be found disposed to accept that position. Little did he suspect what was to follow.

Upon his arrival with the fleet of transports, Gen. Foster verbally reported the troops to Gen. Hunter. The latter received him with all possible courtesy, and shewed his supposed guest the utmost attention during the week following his arrival.

At the end of the week, no reports whatever having been received from the re-enforcements, Gen. Hunter's Assistant Adjutant-General addressed a letter to Gen. Naglee—their presumed commander, by virtue of seniority, inquiring for the reasons of the strange delay. Gen. Naglee, happening to be absent upon an excursion, did not receive it until the following day. In a reply, he stated, in substance, that he had received instructions from Gen. Foster to take command of the troops lately arrived, and exercise it independently of the Department of the South, and continue to do so during his (Gen. Foster's) absence. Almost simultaneously with this reply, information reached Gen. Hunter that Gen. Foster had left for the North.

His astonishment at these unexpected developments may be easily conjectured. In all probability he felt in doubt whether to be more surprised at the arrogant assumption of authority on the part of his invited visitor over troops sent to his Department for service under him by special order of the War Department, or at the want of ordinary civility displayed in the sudden departure of his guest without any notice or explanation whatever.

With his habitual decision and promptness of action, Gen. Hunter proceeded at once, however, to assert his rightful authority. He issued the general order embodied in my last but one letter, by which he formally assumed command of the reenforcements, and constituted them part of the 10th Army Corps.

Upon receipt of the order, Gen. Naglee wrote out a protest, based upon instructions to the contrary from Gen. Foster, and forwarded it to the general headquarters. As he expressed, however, in the same communication, his readiness to yield obedience to the general order, Gen. Hunter took no immediate notice of the protest, but simply sent it, with other documents bearing upon the subject, to the War Department, for consideration and ultimate decision.

Gen. Naglee having recognized Gen. Hunter's supreme authority, and acted since under it, no more trouble has been experienced with him. The officers of Gen. Foster's staff, however, not only obstinately refused to comply with the requirements of Gen. Hunter's orders, but also undertook to imbue those around them with the spirit of insubordination they themselves manifested. The heads of the various Departments, the Medical Director, Chief Commissary Quartermaster, etc., continued to decline making their returns to the proper officers of Gen. Hunter's staff, so that requisitions could neither be made out nor filled, and the troops of Gen. Naglee's were in the end actually suffering from want of means of sustenance, Gen. Hunter brought them at last to a sense of their duty by holding out the certainty of summary punishment, whereupon they finally yielded with the exception of the Quartermaster, who was placed in arrest for refusing to turn over the marine transportation.

The immediate staff officers of Gen. Foster committed still more flagrant acts of insubordination. They sent off surreptitiously, and without the knowledge of any one at Department Headquarters, one of the best and most indispensable steam transports with dispatches for Gen. Foster. They used constantly and openly language contemptuous of Gen. Hunter, creative of disaffection toward him among the officers and men of the reenforcements, and the belief that Gen. Foster had suffered some wrong, and was to return with ample authority from Washington for the supreme management of affairs in this Department. The hearty acquiescence of Gen. Hunter in the Government policy in regard to negroes was made the particular means by them of exciting prejudice against him. So defiant of all the rules of military propriety became at last their conduct, that Gen. Hunter found himself compelled to issue an order, mentioned in my last, requiring them to leave the limits of the Department by the first steamer for the North.

In justification of their remarkable behavior the staff officers in question plead Gen. Foster's orders. But it cannot well be presumed that their superior authorized the indulgence in the mutinous practices last referred to. Still there must have been encouraging words and acts on his part to induce them to forget the injunctions of military discipline to the stated extent. It is difficult to conceive what reasons Gen. Foster could have had to warrant, in his opinion at least, his conduct in this matter. The only plea put forth by the advocates of his cause, that, as the reenforcements came from his department, he was entitled to their command, not only fell to the ground in the face of the fact that four-fifths of the troops came from Virginia, had been in North Carolina but a short time in transitu for this department, but became a perfect absurdity, by being coupled with the claim to the exercise of an independent command, in direct contravention of a well known rule of the War Department, as well as of a vital principle of the art of war.

The arrival, on yesterday, of Assistant Adjt.-Gen. Townsend with conclusive instructions from the War Department, has now brought the whole difficulty to a termination. The Secretary of War has directed that Gen. Foster return and remain in the Department of North Carolina; rebuked Gen. Naglee for his protest against Gen. Hunter's proper exercise of authority, and decided that the re-enforcements have properly been and shall hereafter be under the command of Gen. Hunter. At the same time, he ordered so much of Gen. Foster's General Order as embodied the re-enforcements formally in the Tenth Army Corps to be rescinded, the President alone having power to fix the component parts of such a body. Thus was to-day done in the accompanying order. That Gen. Hunter has been sustained, as everybody knowing the merits of the case was satisfied he would be, in all the cardinal points at issue by the very authority which Gen. Foster expected to recognize his pretensions.

From the above it will be seen that Gen. Hunter is no more responsible for the troubles Gen. Foster has been creating in his department than a guardian of the law would be for any attempt to violate it. They were entirely of Gen. Foster's making, and upon him the whole responsibility for them rests.

No military axiom has been more fully established by the history of all wars, and more especially this of ours, than that unity of command is the vital condition of success. A more deliberate effort to destroy this than that made by Gen. Foster in this department can be hardly imagined. In order to arrive at a full appreciation of the bearing of his conduct, it should be known that, had it not been for the accident of unavoidable protraction of the preparations of the naval branch of the service for the impending campaign, the delay of the proper inspection, equipment, disposition, &c., of the troops from North Carolina, caused by the obstreperousness of his staff-officers, acting under his orders, would have seriously interfered with, if not altogether paralyzed, the contemplated offensive movements. Let him answer, if he can, to his superiors, for the extraordinary manner in which he pushed his undue claims to rank and command, even to the extremity of creating dissatisfaction and mutinous disposition toward the Commander-in-Chief of the Department among the officers and men under him. Let him prove, if he can, to the country, his right to jeopard its interests in following the impulses of his inordinate ambition. And, lastly, let him ask himself whether, even if he had any just claims, it would not have been infinitely more to his credit to yield them, for the time, instead of assuming the risk of acting, by their pursuit, to the detriment of the public service.

HEADQUARTERS DEPARTMENT OF THE SOUTH, HILTON HEAD, PORT ROYAL, S. C., Feb. 23, 1863.

GENERAL ORDERS, No. 15.—1. The Hon. Secretary of War having countermanded the orders providing for the enlistment of volunteers into the regular army, all such enlistments must cease within the limits of this Department.

II. Lieut.-Col. J. F. Hall, Regiment of Volunteer Engineers, is hereby appointed Provost-Marshal-General of the Department of the South, and will be respected and obeyed accordingly.

All Provost-Marshals within the Department will report to Lieut.-Col. Hall for instructions, and all questions arising in the discharge of their respective duties will be referred to him for decision. But nothing in this order shall be construed as absolving Post Provost-Marshals from their present direct responsibility to the commanding officers of their respective posts.

III. In conformity with instructions received from Headquarters of the Army, so much of General Orders No. 13 from these Headquarters, current series, as incorporates the reenforcements ordered by Government to this Department from North Carolina with the Tenth Army Corps, is hereby revoked; and such reenforcements will hereafter be regarded and returned as a detachment of the Eighteenth Army Corps, serving in the Department of the South and forming a portion of this command. The division organization of these troops will continue as at present.

IV. The practice of issuing Commissary rations to the families of persons employed in the military, naval and civil services of the so-called Confederate States, must forthwith cease within the limits of this Department, and every officer ordering such issue will be held responsible for the same.

By command of Maj.-Gen. D. HUNTER.
CHAS. G. HALPINE, Asst.-Adjt.-Gen. Tenth Army Corps.

Our Forces Ready to Attack Charleston and Savannah—The Hunter-Foster Controversy—Arrest of Gen. Foster's Quartermaster—Robert Small, the Negro Pilot—What he Thinks of Enlisting Negroes.

From Our Special Correspondent.

BEAUFORT, S. C., Feb. 24, 1863.

Charleston has not yet been taken. Savannah is still quietly reposing amid her groves of palmetto and orange trees; the Monitors rock and swing with every swell in this great bay of Port Royal; the little gunboats dart to and fro, and, like vigilant sentinels, watch every creek and inlet in our possession; and the white tents of the land forces glisten through the trees, and blend with the scenery as if they had always formed an essential part of it.

Quartermasters tells us that everything in their department is ready. Commissaries have on hand food and rations sufficient to last until some important city has been reduced, vessels deeply laden with coal and water are continually arriving, the vast fleet of gunboats and their attendant transports are asking for nothing more, the Monitors are all upon the ground, and every wheel, and crank, and bolt, and turret, in the smoothest working order. Gen. Hunter and Admiral Dupont both represent their respective departments ready. It cannot, therefore, be many days before this important expedition will set sail and commence operations upon Charleston or Savannah, or perhaps both.

The leading officers of this expedition, those who are supposed to know its exact strength, and upon whom also devolves the duty of knowing that of the enemy, are sanguine of success. Only among very subordinate officers have we heard it doubted, and they know almost nothing of our actual strength and the obstacles we have to contend with.

The opportune arrival of the A. R. Spaulding this morning, has settled the controversy with regard to the command of Gen. Foster. As everyone expected, Gen. Hunter retains command of all the forces within his Department. How it could have been otherwise it is impossible for me to conceive. As well talk of two Governors of a State, two Presidents of the Union, as of two independent commanders within a department. What should have led Gen. Foster to question the authority of Gen. Hunter we are all at a loss to know.

To-day Gen. Hunter is in full command of all the forces within his Department. Gen. Foster's Quartermaster was yesterday very summarily brought to terms by arrest, by order of Gen. Hunter. Gossip says he feigned sickness in the day time, but was in sufficient health to indulge in champagne and whist at midnight. This very common dodge would not answer. He was ordered to report to headquarters forthwith. He obeyed the order so far as to condescend to land upon the Island of Hilton Head, but consulted his own convenience about leaving his card with Gen. Hunter. The barber-shop, the hotel, and several other sights of the island had first to be visited. Before, however, he had completed his peregrinations he found himself under arrest, and his contemplated call upon Gen. Hunter unnecessary.

Robert Small, the negro pilot, who brought the gunboat Planter out of Charleston harbor, and delivered her into our possession, is now a resident and engaged in business in this city. Partly to gratify my curiosity to see this colored hero, and also to hear his views with regard to negro soldiers and the President's Proclamation of Freedom, I called upon him this morning. Much to my surprise, I found him a young man, not yet thirty—not a pure African, but black enough not to be much indebted to his Anglo-Saxon blood for his sagacity and shrewdness. Without having any decided military taste, he expressed a desire to join the army, either in the ranks or as an officer, the moment we obtained possession of any portion of the mainland in South Carolina. Until then he thinks negro soldiers can be of little service. White soldiers as yet are too much prejudiced against them on account of their color to fight by their side, but the moment we commence moving a column into the interior of the State, black soldiers can act upon a separate field, can move in independent columns, and can assure those who desire to join their ranks that they will not be pelted with stones and beaten with clubs, and compelled to endure insult upon insult for the sake of the cause they have espoused. He has not the least doubt that the negroes, by thousands and tens of thousands, will flock to our lines the moment we have taken Charleston and penetrated the interior a few miles. Charleston, he thinks, cannot escape total destruction in the approaching conflict. The firemen are all negroes, are all members of a secret organization, and are all pledged to strike for their freedom the moment the first good opportunity arrives. He himself desires to be among the first to enter Charleston, and has asked permission to accompany the land forces of the expedition. He feels assured that in less than ten days he can have 10,000 blacks fully armed, who will be of more service to us in this particular State at this particular moment than an equal number of white soldiers. One cannot hear this brave and intelligent negro give his opinions without being satisfied that he himself believes he can accomplish all he professes to be able to perform.

The treatment some of the negroes have received from a portion of Gen. Foster's command has to some extent cowed the blacks in this immediate neighborhood, and rather dampened their ardor for entering the army; and who could expect otherwise? These negroes will fight if they are treated like men; if treated like brutes they may still fight, but not for us but against us. The question for us all to settle is simply this, Shall they fight for us or for the enemy? Robert Small says 6,000 blacks are behind the batteries at Savannah and 10,000 in and around the forts of Charleston. These black Rebel soldiers will all be with us if we encourage them—discourage them in their efforts to obtain their freedom and they will continue to be a source of strength to the enemy; will fight us to the last, and the civilized world will say they were right.

Gen. Saxton, who, until recently, has had charge of the plantations upon the islands in this immediate vicinity, has been assigned to the command of all the troops on the Island of Port Royal, composing the largest brigade in the Department of the South. By those who have known Gen. Saxton from his youth, and have observed him during this war, I am assured that no better assignment to a command in the field could have been made. A thoroughly educated officer, having graduated at West Point with distinction, and an uncompromisingly loyal and Christian gentleman, and disposed to sustain, to the utmost of his ability, the policy of the Administration with regard to negroes, he will undoubtedly be of great value in his new position, both to this Department and to the country at large.

His command embraces some of the best troops in this department. The 8th Maine, Col. Rust, the 4th New-Hampshire, Col. Jackson, deserve special notice, not only on account of their fine military bearing, their discipline, and the neatness and cleanliness of their camps, but from the fact that from the first their officers and soldiers under them have given to Gen. Saxton, to Gen. Hunter, and through them the President, the heartiest support in all their efforts to ameliorate the condition of the blacks, and suppress the Rebellion. Col. Rust of the 8th Maine, who has been in this department from its organization, and whose troops have been exposed to the miasma of swamps and all the diseases peculiar to the climate, is untiring in his efforts to instil into the minds of his soldiers sound and loyal views in regard to their duty to their Government.

The 1st South Carolina Regiment could march through the entire brigade of Gen. Saxton and not receive a single insult from officers or soldiers. On the contrary, I could name regiments under the command of officers whose loyalty has always been doubtful, by which they would be received with hooting and hissing, and showers of sticks and stones. It is sheer folly, it is madness, to allow officers who are opposed to the Administration to retain command of troops in the field. If they must wear the star or the eagle, let them be worn behind some fortification in front of which a Rebel force will never again be seen. The only building in Beaufort reminding one of Northern bustle and thrift is the one in which the Government, through E. S. Philbrick and J. S. Sevrance, is engaged in ginning cotton.

Never having seen the operation before, I was much interested in passing through the building. Instead of the slow and tedious process of ginning the cotton by hand, or rather by foot, which the negroes dread so terribly, a powerful steam engine furnishes the motive power, and gives constant but light employment for more than one hundred girls, all of whom seemed to like their work; indeed, a more jolly or contented class of operatives I never saw. The entire process, from separating the seed from the cotton to baling it for shipment, is carried on within the building. Mr. Sevrance has immediate charge of the building and the inmates, and the good order and neatness pervading every department reflect credit upon his ability to superintend so important an establishment.

The Nahant, the last of the Monitors required by Com. Dupont to complete his fleet, arrived safely in this harbor last Friday.

She reached here in perfect trim and was in condition the next morning to take on board Gen. Hunter and Com. Dupont and sailed up and down the bay and around and through the fleet as gracefully and neatly as the prettiest little tug in the harbor. Both Com. Dupont and Gen. Hunter expressed themselves highly gratified with her movements, and after a few experiments with her guns, were strengthened in their belief that with the force now at their disposal they would be able to batter down any fortifications opposing their entrance into Charleston or Savannah harbors.

Washington's birthday was celebrated yesterday by the hoisting of flags, the firing of salutes, and a dinner to the leading officers of the army and navy on board of the Wabash. Heavy firing in the direction of Charleston and Savannah gave us to understand that the Rebels, too, were celebrating the same event.

Mr. Gladding, a prominent and notorious Rebel of Savannah, who has been a prisoner at the North for several months, contrary to the express orders of Gen. Halleck in relation to prisoners of war, arrived here in the Arago yesterday, and the moment the fact was known to Gen. Hunter was arrested and again confined as a prisoner. I am informed by a gentleman who came in the Arago that this Mr. Gladding was dined, and wined, and treated with more attention than any other passenger on board—that being a highly-educated gentleman, he discoursed loudly and constantly upon the right of Secession and the entire justice of the Rebel cause, and that commissioned officers in our own service encouraged him in his remarks by approving words and renewed attentions.

How long would an Andrew Jackson or Jeff. Davis tolerate such officers in their service. We do want a guillotine in this country, and the first persons to fall beneath its block should be the traitors wearing the uniform of the National army.

J. G. Atwood, the Captain in the N. Y. Volunteer Engineers, who was dismissed the service a few weeks since for drunkenness and selling liquor upon the testimony of two privates in his Company, it seems was the victim of a conspiracy, and will probably be restored to his command. His Lieutenant-Colonel and several other officers have filed affidavits to the effect that they would not believe the witnesses who deposed against Capt. Atwood upon oath, and that they have never known him to be in the least under the influence of liquor before or since his connection with the N. Y. Volunteer Engineers.

The Rev. Archibald Murchison, the negro pastor in Hilton Head, baptized between seventy and eighty converts in Port Royal Bay last Sunday. The services were witnessed by a large concourse of soldiers and civilians, and no disturbance whatever took place during the entire ceremony. This bold and original specimen of the African race exhorts his hearers not only to fight the scriptural devil, but to prepare to do battle with the visible devils in the form of big Rebels on South Carolina plantations. If encouraged, it will not be many months before this dusky chaplain will be found at the head of his people, striking for that which God from the first gave him, but which the devil, through the tyrants of the earth, still struggles to hold from them.

The forces which came here recently from the command of Gen. Foster, were yesterday reviewed upon the island of St. Helena by Gen. Hunter. The troop presented a fine appearance, and their efficiency in drill was highly spoken of by their commanding officers. S. P.

The Indiana Legislature Blocked by the Withdrawal of the Minority—Action of the Kentucky House of Assembly on the Federal Relations Report.

CINCINNATI, Saturday, Feb. 28, 1863.

A special dispatch from Indianapolis says that the withdrawal of the Republican members from the Indiana House of Assembly, on Wednesday last, will probably put an end to further legislation in that State for this season. But two of the minority were in the hall this afternoon. The cause of the withdrawal is stated to be an attempt to pass an unconstitutional measure, and to strip the Governor of all military power.

The Kentucky House of Assembly, yesterday, voted on the report of the Committee on Federal Relations. They rejected the report by a decided vote, but accepted the resolutions.

Four Persons Convicted of Treason.

INDIANAPOLIS, Ind., March 1, 1863.

In the United States District Court, four persons charged with resisting the military authorities in the arrest of deserters were convicted of treason.

The minority of the Legislature is still absent. Unless a compromise is effected with the majority, no further legislation will be had the present session.

The Recent Disgraceful Affair Near Strasburg, Va.

WHEELING, W. V., March 1, 1863.

A correspondent of *The Wheeling Intelligencer* under date of Winchester, 30th ult., gives the following particulars of the late disgraceful affair between a portion of our troops and the enemy on the 25th. A Rebel Cavalry scout, 80 strong, came inside our pickets on the Strasburg road. After a skirmish with infantry pickets, in which two were wounded on each side, they retired capturing a cavalry picket of twelve men. Five hundred of the 13th Pennsylvania and New-York cavalry sent in pursuit, recaptured beyond Strasburg most of the prisoners and horses, and also a number of prisoners.

The commander of our detachment transcended his orders, and pursued beyond Woodstock. After driving in the Rebel pickets, he stood parleying in the road, without guarding against surprise. The enemy returned in force, charged upon and threw them into confusion, killing and capturing 200 in a flight of twenty miles. Our men made no stand, though outnumbering the enemy!

THE ATTACK ON VICKSBURG

OPENING THE WAY TO THE REAR.

Skirmish and Defeat of the Rebels.

The Loss of the Queen of the West.

CHICAGO, Saturday, Feb. 28, 1863.

A special dispatch from Memphis says:

"The expedition through Yazoo Pass reached Moon Lake on the 22d inst.

"Beyond this lake, leading to Cold Water River, the enemy sought to obstruct the channel by felling trees, stumps, and logs.

"The Union troops have been at work three weeks to clean out the Pass.

"A battalion of the 5th Illinois Cavalry, sent out to scour the banks, had a brisk skirmish on Friday last with a company of 60 mounted Rebels, dispersing them and killing 6, wounding several, and capturing 26. Our loss was 5 wounded."

CAIRO, Saturday, Feb. 28, 1863.

Full dispatches in regard to the capture of the Queen of the West by the Rebels have been received. The day before her capture she went down below Chafalaya a few miles and captured a Rebel train of 17 wagons. Upon returning, those who captured the wagon train were fired upon by guerrillas near Semmesport. On the next morning a force was landed who destroyed all the buildings in the vicinity. The Queen of the West is considerably damaged by the Rebel fire. These steamers which accompanied her were blown up to prevent their falling into the hands of the Rebels.

The Canals—The Contrabands and their Services—Northern Traitors—Sanitary Condition of the Army.

Correspondence of The Missouri Democrat.

BEFORE VICKSBURG, Feb. 13, 1863.

THE CANALS.

The canal across the cape directly opposite Vicksburg is being hurried on to completion. The work has, however, been retarded for the last four days by continued and very heavy falls of rain.

The new canal, when it is completed—which, under favorable circumstances, will be in ten or fifteen days—will be sixty feet wide and one and a quarter miles long, and deep enough to admit the passage of our fleet. The mouth of the canal, on the lower side of the town, in within range of one of the enemy's batteries, of which they remind us by an occasional shot or shell, but as yet they have not been able to interrupt the work, or kill or wound a single man.

Another canal is being made at Lake Providence, which, when completed, will afford a passage from the Mississippi to the head waters of the Red River. The excavations will be slight, and should the project be successful, it will enable us to command a vast scope of country and immense resources. The enemy has shown a disposition to dispute our passage in that direction, and a skirmish took place a few days ago between our cavalry and a force of mounted Rebels, which resulted in the Confederates being completely routed.

A canal has already been made to connect the Mississippi river with the Yazoo. The mouth of Yazoo, which is only twelve miles above Vicksburg, is well guarded by our gunboats, and we have trustworthy information here that three gunboats (one an iron-clad) have passed the Delta, and are now removing obstructions from the channel, which is to lead them to a position in the rear of Vicksburg.

Gen. Grant, than whom there is no braver man, is displaying a degree of skill and energy, equaled only by his courage and daring. The energy and perseverance with which he is carrying out his canal projects, leaves no room to doubt that he can plan as well as execute.

CONTRABANDS.

Contrabands are constantly coming within our lines. They come to us destitute of everything—escaping for their lives—willing to work, or to fight. Many intelligent officers are of the opinion that if authority were given to organize negro regiments, that a negro brigade could be organized in less than thirty days.

All they ask is clothing, arms, and ammunition, and permission to fight. They are familiar with the country—know its resources, and are anxious to redeem their families from the reign of terror which prevails in that section. Nor are instances of courage wanting among the blacks.

When Col. Elliot was preparing torun the blockade with the Queen of the West, a number of his crew declined going, a number of contrabands offered their services, a few of them were accepted, and did credit to themselves and their brave commander on that important occasion.

A few days ago, a body of our cavalry was assailed by a force of Rebel cavalry; our forces charged upon them, driving them from their ambuscade across a stream near by, which they reached in time to force them to surrender.

A contraband who had accompanied the expedition, and who was provided with a gun, went forward when the charge was made, and diverging from the main body, followed two Confederates a considerable distance, and succeeded in killing one and bringing the other into camp a prisoner. It is becoming more and more apparent that, from the line and cry raised by Rebels and their sympathizers against using contrabands in the army, that they regard them as an important instrument in our hands for the putting down of this Rebellion. It is well known here that the Confederates—the "chivalry of the South"—have them in their ranks, and fight side by side with them, for they dare not trust them in separate brigades.

NORTHERN TRAITORS.

The feeling in the army against "Copperheads" and anti-Administration men is being most bitter and vengeful. They are regarded with greater contempt here than open and avowed Secessionists, for they are believed to be more dangerous enemies to the interest of the Republic—secret foes who envelop themselves in their country's flag and cry "Union and Constitution," while they make deadly thrusts at the heart of the Government. Now, these brave men very well know that they stand as a mighty bulwark between the Government and all her foes, and that every thrust made at her will enter their ranks and pierce their hearts.

They love their homes, their wives and little ones, and the quiet pursuits of peace, but they love their country more. Now, while they are sacrificing their all upon her altar, and wading through mud and mire, blood and carnage to sustain her flag, they are being betrayed by a "peace party" at home, who are quietly enjoying the protection of the same old flag. No wonder that they feel a sense of wrong, and vow, if permitted to return, that they will crush every Copperhead in the dust of political oblivion.

SANITARY CONDITION OF THE ARMY.

There has been, and still is, a great deal of sickness among our tro