Pittsburgh Gazette.

FRIDAY MORNING, DEC. 27, 1861.

CITY AFFAIRS.

METEOROLOGICAL OBSERVATIONS for the *Gazette*, by G. E. Shaw, Optician, 55 Fifth street,—corrected daily:

	IN SUN	IN SHADE.
9 o'clock, A. M.	00	39
12 " M.	00	46
6 " P. M.	00	40
Barometer,		29 6-10

Republican City Ticket.

FOR MAYOR—B. C. SAWYER, Jr.
FOR CONTROLLER—JOHN McCARGO.
FOR TREASURER—WM. EICHBAUM.

Meeting of Select Council.

Select Council met on special call last evening—present, Messrs. Bennett, Brown, Dickson, Duncan, Kincaid, Lutton, Morrow, McCarthy, Phillips, Quinn, Thompson, Ward, and President McAnley. Absent—Messrs. Barbin, Berger and McCargo.

The President stated that the meeting had been called for the purpose of taking some action in reference to preparing the way for a compromise with the railroad bondholders.

After an interchange of views, Mr. Bennett offered the following:

Resolved, That a Committee of two from the Select and three from the Common Council be appointed to prepare and submit, for the approbation of Councils, the draft of an act of Assembly, to be submitted to the Legislature, for enabling a compromise to be effected between the holders of railroad bonds and the city of Pittsburgh.

The resolution was adopted, and Messrs. Morrow and Brown were appointed on part of S. C.

On motion of Mr. Bennett, the President of Councils was added to the Committee.

Councils adjourned to meet again this evening, when it is expected the Common Council will be in session to take action on the same subject.

The Italian Opera.

The Italian Opera, from the New York Academy of Music, will reach this city next week, on their return from the West to New York. The company comprises names of renown, and to commend them to the musical world would be superfluous. The prima donna is the distinguished and beautiful Miss Isabella Hinkley, whose concerts in New York, Boston, Philadelphia, and all other cities in which she has appeared, have been successful in the highest degree—eliciting the encomiums of both the press and the public. The famous Brignoli is the tenor, Mancusi is the baritone, the unrivaled Susini is the basso, and the eminent Mollenhauer violincellist. The whole combination will be under the direction of the distinguished Musical Director, Carl Anschütz. The prospect of an entertainment of so high an order will be most gratifying to our readers. The gentlemanly director, Mr. Grau, is now in the city making the necessary arrangements, and the time and place will be duly announced in our columns.

Serious Illness of Judge McClure.

We are pained to announce that Hon. Wm. B. McClure, President Judge of the Courts of Over and Terminer and Quarter Sessions, who has been quite ill for several weeks past, is now lying in a critical condition at his residence on Penn street. He is suffering from nervous prostration, and the disease has assumed so serious an aspect as to render it necessary, on the part of his physicians, to preclude the visits of his most intimate friends.

THEATRE.—This evening the Christmas night programme of "Aladdin" and the "Night Owl," will be repeated. Both pieces have been gotten up with unusual care, and the faultless manner in which they are put upon the stage reflects great credit on the gentlemanly manager. To-morrow evening Mr. J. S. Maffit, the funny man of the establishment, has a benefit. Maffit promises any amount of fun to all who attend.

AN ACKNOWLEDGMENT.—The generous donation of $200, awarded by Messrs. Henrici and Baker, Trustees of the Economy Society, to aid in the formation of an Irish company for Meagher's Brigade, has been acknowledged on behalf of the Committee, in a neat and appropriate letter, addressed to the Society by Hon. P. C. Shannon, cordially thanking them for their patriotic liberality.

SUPPOSED SUICIDE.—A German butcher, named Geo. Dosch, residing in the Third Ward, Allegheny, left his residence on Monday night about midnight while laboring under a fit of delirium tremens, and has not since been heard of. The supposition among his friends is that he has committed suicide—probably by jumping into the river.

CONVICTED.—In the Court of Oyer and Terminer, of Greene county, last week, before Chief Justice Lowry, of the Supreme Court, David Dunstan, an aged man, was convicted of the killing of J. I. K. Huss, in the early part of the present year. The prisoner was sentenced to the penitentiary for five years and six months.

MRS. CATHARINE LACOCK, wife of Abner Lacock, of Amwell township, Washington county, was thrown down by a boy's sled, in Washington borough, a day or two since, and had her collar bone broken, beside receiving a severe injury to the spine. She is seventy-three years of age, and will hardly recover.

HOLIDAY ENTERTAINMENT.—The Sabbath School children of the First Congregation of Disciples give their first Annual Holiday Entertainment this evening, at Mozart Hall, Seventh street. Exercises to commence at 7½ o'clock. Tickets 15 cents, to be had at the door.

BURNED TO DEATH.—A little grand-son of Thomas Bavington, of Bavington, Washington county, was so badly burned a few days since, by his clothes taking fire, that he died in a few hours.

AN UNKNOWN CORRESPONDENT sends us a long account of the battle at Drainesville, in which he was a participant. It is a readable production, but as it contains nothing not already published, we must decline it.

FIRST WARD, ALLEGHENY.—A call for a meeting of the citizens of this Ward, will be found in our advertising columns.

CHAPLAIN.—Rev. Wm. Cunningham, of Blairsville, has been appointed Chaplain to Col. Meredith's regiment at Camp Curtin.

FROM YESTERDAY'S EVENING GAZETTE.

Outrageous Assault.

On Tuesday afternoon, an outrageous assault was perpetuated upon the person of a colored man named James Clear, at the corner of Webster and Fulton streets, by two notorious negroes named Dave Coffee and Bill Johnson. Clear had lately returned from Washington city, where he had been employed as a servant by Capt. Hamlet Lowe. The party had been drinking together, and began "sparring" on the street, when Coffee got angry. Blows passed between them, when Coffee seized a paving stone, weighing about two pounds, and struck Clear a tremendous blow near the temple, felling him to the earth. Johnson then jumped upon the head of the prostrate man, and inflicted brutal injuries in that way. Clear was taken up insensible, and conveyed to the residence of his brother, on Webster street, where he is still confined to bed. His jaw is said to be fractured, and his injuries are altogether of a serious character. The perpetrators of the outrage have not yet been arrested.

Bank Note Quotations.

Corrected especially for the *Gazette* by Messrs. Feld & Lare, of the *National Bank Reporter*. Rates uncertain at present:

PITTSBURGH, Dec. 26, 1861.

	Discount.		Discount.
New England States	½	South Carolina	no sale
New-York State	½	Virginia:	
New-York City	par	(Wheeling a brchs)	4@5
New Jersey	½	Virginia, east	no sale
Penna. (Phila.)	par	North Carolina	no sale
Penna. (Pittsburgh)	par	Georgia	no sale
Penna. (Inter., sm'l bks)	½	Alabama	no sale
Delaware	½	Louisiana	no sale
Dist. of Columbia	3	Kentucky	1
Maryland, Baltimore	½	Tennessee	no sale
Maryland, interior	½	Ohio	½
Iowa	2	Indiana, free	2
Michigan	2	Indiana, b'k state	½
Missouri	5@6	Illinois	10@10
Canada	2	Wisconsin	10@70

EXCHANGES—Selling rates on New-York and Philadelphia ¼@⅜ cent. over par funds.

Christmas—How it Passed.

Well, Christmas has come and gone, and with it many happy scenes and incidents. While good Santa Claus was riding over the house tops and sending his little attendants down the chimneys to fill the stockings and adorn the trees of the little folks, the white flakes were silently falling, and when daylight roused the expectant sleepers, one of the noticeable features was, that notwithstanding the many predictions to the contrary we were to be blessed "with a white Christmas." We say *blessed*, because the proverb runs that "a green Christmas makes a fat churchyard." The morning was bright and sunshiny, and as the day wore on, the snow stole away as silently as it came, and towards evening it had almost entirely disappeared from the streets.

There was no unusual excitement anywhere apparent, but a quiet enjoyment seemed to play over the countenances of old and young. Who can describe the thousand pleasing incidents of the home circle on a Christmas morning? We leave this question unanswered, and content ourself with saying that the streets were never so thronged within our recollection. Every body and their blessed babies were out in full rig, and go where you would, you must encounter a crowd. Fifth street was a perfect jam, and the other principal thoroughfares were little less crowded. The shops did a good business; the places of amusement were filled to overflowing; the passenger railways were largely patronized, and the entire population seemed afloat—on a sea of mud! Young America was particularly jubilant, revelling in luxurious extravagance, utterly regardless of the rebellion, the probabilities of a war with Johnny Bull, or—the mud!

Altogether, the day was pleasantly spent, and only differed from those which have preceded it, in that ten thousand anxious thoughts went forth to the camps on the Potomac, the plains of Kentucky, and the sandy isles of South Carolina. Let us hope that ere another Christmas dawns upon our land, those brave and generous souls shall restore happiness to their friends and peace to our beloved land.

Sad Casualty in Manchester.

On Tuesday night, an accident occurred in Manchester, which resulted in the death of Robert Caughey, son of Mr. James Caughey, residing on Chartiers street, directly opposite the borough school house. The circumstances of the painful affair are these: Between ten and eleven o'clock, fire was discovered in the upper rooms of a small new frame tenement, on the lot adjoining the property of Mr. Caughey. The house had been nearly finished, and the plastering was partly dried, but the owner had not yet occupied it. The fire burnt very slowly, and the neighbors did what they could to save the material about the premises. Fences were removed, and a portion of the weather-boarding was stripped from the new building. Among those most active at the fire was Robert Caughey, who remained until the danger appeared to be over. Fears were expressed in regard to the chimney falling, and some one suggested that it had better be pushed down. Mr. B. Logan, the contractor, remarked that the chimney might stand, as the brick could thus be saved. Soon after, a hearth in the upper story gave way, and the exclamation was heard—"Look out! the chimney's falling!" Mr. Caughey was standing between the chimney and his father's house, but not being able to see the danger, ran directly under the falling mass. He was struck on the head and pressed to the earth—the skull being crushed in a shocking manner. Death followed almost instantly. As soon as the brick could be removed from his head and shoulders he was carried into the house, only to convince all that his case was beyond the reach of surgery. Had he stood his ground when the alarm was given he would have escaped unharmed. A man named Montgomery, who stood near by, narrowly escaped injury, as a portion of the brick fell within a few feet.

The deceased was about thirty-three years of age, and married. He was a man of integrity and worth, and possessed of more than ordinary skill and intelligence. While a lad, he learned the art of type-setting in the *Gazette* office, and soon became a rapid and correct compositor. He subsequently learned the business of coach-trimming, but by having in the meantime, by industry and economy, fitted himself for less laborious work, he entered the banking house of Messrs. Carnahan, Hart & Co., of this city, where he had been employed for several years past, with credit to himself and satisfaction to the firm. He had the confidence of his fellow citizens in an eminent degree, having been elected to the office of Burgess for the year 1860—the duties of which position were faithfully discharged. He was also a leading member of the fraternity of Odd Fellows, and in every relation he gained good will and preferment. He was highly esteemed for his many excellent qualities, and while his death will cast a deep gloom over a large circle of acquaintances, it will fall with crushing weight upon his aged parents.

On Wednesday, Coroner McClung held an inquest upon the remains of the deceased, when a verdict was rendered in accordance with the facts stated. The origin of the fire is not definitely known, although Mr. Logan is of opinion that it was the act of an incendiary. Others believe it caught accidentally.

Fatal Railroad Accident.

On Tuesday night, between eleven and twelve o'clock, an unknown man was killed on the railroad track, on Liberty street, near the canal. He was walking up the track, while an engine attached to a stock train on the Cleveland and Pittsburgh was backing down. The whistle was blown loudly, but the man did not seem to heed the warning, and he was struck by the tender. The engine was reversed as speedily as possible, but the work of death had been accomplished. The man was found under the tender, with his neck on the rail, and his head almost severed from his body. He was directed with considerable difficulty, and the body was found to have been horribly mutilated.

On Wednesday afternoon an inquest was held by Coroner McClung, and a verdict of accidental death was rendered. No one could be found to identify the body, and it was given in charge of Mr. Devore, undertaker, of Grant street. Deceased was about twenty-one years of age, and wore a grey shawl, two pairs of pants, satin vest, black coat and black felt hat, Fleming's make. He had two brass pins in his shirt bosom—one with a gold pin, and the other a likeness of General McClellan. He also had $4 07 in change, and part of a German book in his pocket. He had purchased a lot of candies for Christmas, which were found scattered about his mangled body.

This morning the body was identified as that of Louis Zuck, confectioner, who resided with his parents in Allegheny. He had been employed for seven or eight years past in the confectionary of Mr. F. A. Miersch, 42 Saint Clair street, and was a young man of most exemplary habits. He had visited several of his friends, on Christmas eve, distributing presents among them, and left the confectionery about eleven o'clock, with a box of sweetmeats, remarking that he would take them to a friend in the Fifth Ward, and then he would be ready for home. While on his way to fulfill his pleasing mission, he encountered death in the horrible form above described.

SECOND WARD, ALLEGHENY.—We are informed that the following ticket has been agreed upon by the citizens of this ward, to be supported at the ensuing city election. We regret to learn that Jas. Lockhart, Esq., the present able member of the Select Council from that ward, declines being a candidate for re-election:

Select Council—Joseph Kirkpatrick. Common Council—John K. Brown, Haus. Dunlap, John Brown, Jr., William Tate, Jr. School Directors—D. Macferron, Rev. D. G. Bradford. Judge of Elections—Henry Ackey. Assessor—John Steirrett. Inspector of Elections—James Sholes.

Railroad Dispatcher Killed.

On Wednesday, the 18th inst., Mr. David Confer, dispatcher on the Pennsylvania Railroad at Huntingdon, was so severely injured by being caught between two cars, while engaged in coupling, that he died in a few hours. He was an active, intelligent and industrious citizen, a kind and indulgent husband and father, and was universally respected. He leaves a wife and seven children to mourn his untimely death. He was buried on Friday afternoon; the Masonic fraternity officiating in the ceremonies.

PETROLEUM BOMB.—The Buffalo *Express* has an account of the Fire Bomb Shell invented by Mr. M. Trowbridge, of Meadville, and says that the Government has ordered a trial of this shell to be made by the officers of the Michigan at Erie, and, in case they pronounce a favorable verdict upon it, will order an extensive manufacture of them.

Commission of Lunacy—A Singular Case.

This morning, David Reed, Esq., Commissioner appointed by the Court of Common Pleas, to inquire into the lunacy of John Diller, of Peebles township, empanneled a jury *de lunatico inquirendo*, and proceeded to investigate the matter.

John H. Hampton, Esq., appeared for the defendant, and Messrs. White and Slagle for the complainant.

The petition of Eliza Diller, wife of the defendant sets forth that he has been and now is of unsound mind; that he is wasting and destroying his property; that he is incompetent to discharge his duties towards his family, and prays that a Commissioner may be appointed to manage his estate.

John Diller is an old citizen of the county, and by tact and industry has amassed property valued at between $30,000 and $40,000. Mr. White, in opening the case, remarked that the proceedings here were not conclusive, but preliminary. If the jury found that the defendant was not sane, so as to be able to manage his property, he can traverse the verdict by having a trial in the Court of Common Pleas. If they should find, however, that the defendant was sane, that ended the proceedings so far as the Commonwealth was concerned.

The present case was remarkable in several instances. It was not alleged that Diller was entirely insane—not incompetent to contract for the ordinary transactions of life, and conduct business in the ordinary way—but that for years past, commencing soon after marriage, he had been afflicted with a species of monomania on money matters. While sane on most subjects, he was a complete monomaniac in regard to spending money in his family. If his wife asked for a dime to purchase a broom, or three cents to buy lime with which to whitewash the blackened walls of his house, he would rave like a maniac, and abuse his wife in the most outrageous manner. These paroxysms of passion grew upon him gradually until his monomania became fixed, and his delusion permanent. He frequently talked of destroying his family, and would even employ his own children to turn the grindstone while he sharpened the instruments to kill his wife. These acts ran over a period of more than twenty years, and many of his acts could only be covered by the mantle of charity, based upon the supposition that he was insane. His gross abuses finally compelled his family to separate from him, and articles of separation were drawn up some four or five years ago. He has since raved most outrageously about his family, circulating the most shameful stories against his wife's character, and, it is alleged, has endeavored to dispose of his property so that his wife and family can obtain no part of it. Hence these proceedings became necessary, and it was the duty of the jury to determine—first, whether he was actually of unsound mind; and whether such insanity disqualifies him from a proper discharge of his duties towards his family, and whether his property should not be placed under the charge of a Commissioner.

After the case was opened, a difficult point presented itself—to wit: the time to which the testimony should be confined. The petition did not set forth the time at which the alleged lunacy commenced, and Mr. Hampton, counsel for defendant, vigorously opposed the taking of any testimony whatever until the limit was fixed. We gathered from his remarks, also, that Mr. Diller would endeavor to establish his sanity to the satisfaction of the jury, and if any evidences of monomania were developed in his conduct, they were on account of his having been driven almost to distraction by a termagant wife. The point as to time was finally waived, it being agreed to keep the testimony within "reasonable" limit.

This case presents many painful features, and we shall not publish the testimony relative to family broils and domestic disagreements. Two daughters of the defendant, fine and intelligent looking young ladies, appear to testify against their father, but in justice to them we may state that they were urged to do so, and consented with great reluctance. The case will probably occupy a couple days, as many witnesses are subpenaed on both sides.

Death from Intemperance.

A shocking case of death from intemperance and exposure occurred in Pitt tp., near the mouth of Four Mile Run, on Monday night. A party of Irish, of the lower class, met at a house in the neighborhood, to raffle for turkeys, the proceeds of which were for the benefit of the widow of Lenox Rea. Among the present were Mathias Davis and his wife Ann Jane, both of whom became very drunk, and started for home between eight and nine o'clock. On Tuesday morning Mr. Davis was found in the run, frozen to death—her clothing scattered about her, the body almost nude and exhibiting numerous bruises. The Coroner being absent, Alderman Donaldson undertook the case, and after hearing some witnesses, committed Davis to jail until this morning, when other witnesses were to be examined. In the meantime, a *post mortem* examination was made, and it was clear that her death had not been caused by violence. The bruises had doubtless been received by repeated falling on the frozen ground, and in the delirium preceding death she may have divested herself of her clothing. Her husband was too drunk to give her any assistance, and she was left to perish by the way.

A son of the deceased, aged ten years, who was with them at the raffle, and who could not be found on Tuesday, was subsequently arrested and held as a witness. He was examined this morning, and stated in substance that his mother fell on her face while going home. He and his father raised her up with great difficulty, and after proceeding some distance she fell again. They tried to raise her up, but his father was very drunk, and they were obliged to go on without her. In about half an hour he returned, in company with his father, and found her dead, in the spot where they had left her, with most of her clothing torn off. They went home again, and did not return where the corpse was until daylight.

Dr. McCook testified that there were no wounds which might not have been received in falling, and that her death was caused by exposure.

The jury found a verdict that the deceased came to her death from the effect of intemperance and exposure, and the husband was discharged from custody. Mrs. Davis was about thirty-six years of age, and had but one child—the lad alluded to.

SUICIDE.—On Sunday last, the body of George Jacobs, a resident of Ross township, was found suspended by a rope to a tree on the farm of Mr. Fisher, of Hampton township. Jacobs was a worthless, dissipated man, and five weeks ago he left home in a passion, bidding his wife and family farewell. His wife could only learn that he had remained over night at Fisher's, and left there the next morning. He had doubtless gone to the woods and hanged himself after taking breakfast at Fisher's.

SEE'T WASHINGTON B. GALLAGHER, of Capt. D. M. Armor's corps, will leave for Camp Curtin on Saturday night. Those persons having friends in said company, or in any other corps in Col. Wilson's regiment, can send small packages with Serg't G. Warrant that Serg't Gallagher may see active and useful service, and be allowed to return to the peaceful and quiet walks of our good old city. Anything left at Mr. Wattle's jewelry store, No. 41 Fifth street, will be attended to.

BELL FOR ST. PETER'S.—A bell, cast in New York, for St. Peter's Episcopal Church, (Rev. E. Van Deusen,) has arrived in the city, and is now in front of the church on Grant street. It weighs about 2,600 pounds, and from its position can be heard over the greater part of the city.

WHY NOT?—Can't some one at least of our dealers in teas, coffee, sugar, etc., follow the example of Messrs. Barker & Co., 59 Market street, and sell as cheap now as before the rise in prices, and like them entitle themselves to the lasting gratitude of our community? This firm are still selling silks, cloths, shawls, every variety of dress goods and general dry goods the same as formerly, and in some even less than before. The goods they are offering are all new and desirable. But this can't last long without *too great loss*; so improve the opportunity, and go at once. Their number is 59 Market street.

NOW IS THE TIME to purchase winter clothing, and to our readers who desire to do so, we would commend the establishment of Messrs. Wm. H. M'Cee & Co., corner of Federal street and the Diamond, Allegheny City. They have now on hand a full stock of ready-made clothing, and having an experienced cutter and a large selection of suitable goods, they are also prepared to make men's and boy's clothing to order in any desired style, at short notice, and on the most reasonable terms.

THE LATEST NEWS

BY TELEGRAPH.

XXXVIIITH CONGRESS—FIRST SESSION.

WASHINGTON, Dec. 26.

HOUSE.—The journal of Tuesday was read, but no business transacted, there being evidently no quorum present. The House stands adjourned till Monday.

SENATE.—On motion of Mr. Hale, of New Hampshire, it was agreed that when the Senate adjourn to-day, it be till Monday next, and when it meets on that day, it adjourn to next Thursday.

Mr. Grimes, of Iowa, presented the petition of citizens of Iowa in favor of the introduction of the homeopathic system practiced in the army.

Mr. Sumner, of Mass., and Mr. Trumbull, of Illinois, presented petitions for the emancipation of slaves, under the war-power of the government.

Several petitions were presented for the location of a National Armory at Rock Island.

Mr. Hale offered a resolution that the President be requested, if not incompatible with the public interest, to transmit copies of all dispatches which have passed between this Government and that of Great Britain relative to the seizure of Mason and Slidell. He said the dispatches could be communicated either in open or executive session, as may be deemed proper.

Mr. Sumner, of Mass., objected to the resolution.

Mr. Hale said he had understood from the public press, and from those who were more intimate with the administration than himself, that for three or four days past this Cabinet has had under consideration a proposition fraught with more evil to the country than anything that had yet marked its history, and that was the surrender of Mason and Slidell to Great Britain. By this we would yield all we had gained in the revolution, and be humiliated to the condition of a second rate power. No man would go farther than himself for peace, but he would not submit to National disgrace and dishonor to obtain such peace. He would favor the arbitration of another power; but if a demand had been made by Great Britain for the surrender of Mason and Slidell, war should be declared instanter. He would make all honorable concessions for peace, but a peace involving such a surrender would be infinitely worse than war. His friend from Ind., Mr. Lane, had remarked this morning that his State had now 60,000 men in the field, and would double that number to maintain the national honor. If this Senate should go home after such a surrender and have an election it would be the subject of scorn and indignation of the country. He regarded the arrogant demand of England as a mere pretence for war. She was determined to humiliate and destroy this Republic. Our cities and villages be pillaged and burned, but let our national honor be preserved. Francis the I said after the battle of Pavia that all was lost but honor. He would pray that this Administration might not sacrifice our national honor. Thousands would yet come to the field to defend it. If this surrender was made, the administration will be met with such a fire in the rear that it would be hurled from power. If we had war with England, it would be for the same cause that had sent one King to the block, and another homeless and houseless over the world, and one that would appeal to men whenever the English language was spoken. He believed, too, that if Napoleon had one desire more than another, it was to wipe out the stain on the French arms at Waterloo. All over Canada, there were thousands of Irishmen who would rush to arms to sustain such a course. Our principle was our great strength, and if war must come, he would say let it come! and thank God that we were the instruments in His hand to work out his own cause!

Mr. Sumner, of Mass., said, the Senator had made a speech—a war speech it might be termed. For himself, he would rather consider this grave and important question when it was presented in a practical form. The Senator has treated the whole matter on a hypothesis. He had said that Great Britain had made an arrogant demand of this Government. How did the Senator know this? Or the Senator or the country? He, Mr. Sumner, did not know it. The Senator had said he would favor an arbitration. How did he know but that the Administration had considered that? The Senator was too swift in his conclusion. His own opinion was that the difficulty would be honorably and amicably adjusted. It was in safe hands; all we would be better for the Senate to reserve themselves for facts, and not to act upon a hypothetical case.

The resolution of Mr. Hale was then laid over under the rule.

Mr. Davis, of Ky., gave notice that he should introduce a bill confiscating every species of property of all persons who had any connection with the Southern rebellion in civil and military or naval capacity.

Mr. Harlan, of Iowa, introduced a bill for establishing Provisional Governments in all the States. Referred.

Mr. Howe, of Wisconsin, introduced a bill amending the fugitive slave act.

The Senate then adjourned till Monday.

From Washington.

WASHINGTON, Dec. 26.—The War Department has issued an order that no additional cavalry regiments will be organized. Those that have not yet been mustered into service will necessarily be transferred to some other arm of the military service.

To-night a fire broke out in the Government stables near the Observatory. They contained over 500 horses, between 15 and 20 of which perished. On a train of 102 horses belonging to a Massachusetts regiment, only 11 were, it is said, saved. Some of the animals were so shockingly burnt, that it was judged humane to shoot them in order to release them from their sufferings. It is supposed that the conflagration resulted from accidents. So rapidly were the flames communicated to the various racks which were filled with hay that the horses in the stalls were nearly all at the same time suffocated. The scene was most sickening and offensive. The remainder of the horses, not immediately near the fire, were either set loose or broke their fastenings, and wildly ran in different directions. They were pursued by squads of cavalry, with a view to their capture. A large quantity of harness, and a house occupied as a dwelling by teamsters, were also destroyed. This large loss affords an additional argument for steam fire engines, which has long been contemplated.

The President has nominated to the Senate Chas. H. Foster, of North Carolina, to be U. S Marshal for that district.

WASHINGTON CITY, Dec. 26.—Information was received from Gen. McClellan's division to the effect that early this morning our pickets extending towards Drainesville, were driven in at the latter place. The rebel forces it is believed have been largely reinforced since the late engagement. Hence increased watchfulness on the part of our troops has become necessary.

The Secretary of War has directed that no more horses be bought until all now owned by the Government are in active service. Quartermaster Meigs having been especially charged to carry this order into effect, the attention of all Quartermasters of the Regular and Volunteer Army is called to the subject.

Martial Law in St. Louis.

ST. LOUIS, Dec. 26.—Gen. Halleck has issued the following general order: In virtue of the authority conferred by the President of the United States, martial law heretofore issued in this city will be enforced. In virtue of my authority, martial law is hereby declared, and will be enforced in and about all the railroads in this State. It is not intended by this declaration to interfere with the jurisdiction in a civil court which is loyal to the Government of the United States, and which will aid the military authorities in enforcing order and punishing crimes. Commanders of troops and posts will be held responsible that their commands are ready to move at a moment's warning. Excuse for delay and want of preparations will not hereafter be admitted.

Unfounded Rumor.

BOSTON, Dec. 26.—The steamship Europa stopped at Fort Warren yesterday, and it is rumored, with some appearance of truth, that Mason and Slidell were put on board. The authorities at the Fort refuse to say anything about the matter.

LATER.—The report is now believed to be incorrect. It arose from the Europa stopping to discharge her pilot.

Loss of the Brig Forest City.

NEW YORK, Dec. 25.—The brig Forest City, from Cardenas, with molasses, bound to Portland, Me., was lost on Ribon, East Bahamas, on the 28th ult. A part of her cargo was saved. The damaged vessel was owned by Wm. Pickott and others, of Portland, and the cargo by Wm. Churchill, of Portland.

LATEST FROM EUROPE

ARRIVAL OF THE AUSTRALASIAN.

Upwards of 1,200 Troops Arrived.

HALIFAX, Dec. 26.—The steamer Australian arrived to-day from England with 1,265 troops, a field battery, &c.

The steamship Niagara has arrived with Liverpool dates to the 15th.

The steamship Coronet from Deal, for New York, had put back.

The ship John Jay, from Hong Kong, for New York, had put into Singapore, leaking.

The ship Vanguard, from Liverpool, for New York, put back on the 14th, with a loss of sails' &c.

GREAT BRITAIN.—It is estimated that about 12,000 guards will be sent to Canada. Two battalions of the guards were expected to sail on the 18th, on the Adriantic and Parana. No cavalry or horse artillery will be dispatched for Canada till spring.

The Paris correspondent of the London *Globe* says that Mr. Thouvenal's dispatch to Mr. Mescier is known to have confined the Federal Executive to the simple dilemma, "Are the Southerners belligerents or rebels?" They have been flatly refused any rights in the first capacity, and in the second, the right of asylum acquired by political refugees has been set at naught, and France must make the case of the Trent substantially her own.

The London *Times* publishes a letter from Thurlow Weed, defending the American Government, and Mr. Seward in particular, from the alleged hostile intentions towards England. The *Times* says that England asks nothing from America but that she shall abstain from actual outrage, or that if it is committed that she shall make reasonable reparation. If not, the alternative will not come in the desired form of protracted negotiations.

The London *Herald* takes strong grounds against the argument of the London *Times* in favor of arbitration. It says that negotiation cannot be listened to while Mason and Slidell are detained prisoners.

The Sheffield Foreign Affairs Committee had petitioned Government to visit its high displeasure on Capt. Moir and Commander Williams for having in the Trent affair violated the Queen's proclamation, and thereby show to America that England's neutrality is strict and impartial.

FRANCE.—The Paris *Presse* says that Gen. Scott's mission appears to have been arranged so as to allow him time to fulfill it before the ultimatum of England is remitted, and perhaps to modify the nature of this step on the part of England.

The *Pays*, on the contrary, asserts that the English ultimatum is to be of an absolute character.

From Harrisburg.

HARRISBURG, Dec. 26.—Governor Curtin returned from New York yesterday, and will leave for Washington to-morrow, for the purpose of consulting with the National Government upon the military affairs of the State generally, but more particularly upon the best means of defending Pennsylvania from a foreign enemy. The Governor, some time since, wrote to J. G. Totten, Chief of the Engineer's Department at Washington, requesting early information respecting the present State of the defenses of the river Delaware and the harbor of Erie. The reply is most satisfactory, and in substance is as follows:

"Fort Delaware is now ready to receive its entire armament, amounting to 135 large guns, besides 20 flanking 24 pounder howitzers. Fort Mifflin is also ready for its entire armament, consisting of 47 large guns. Besides these preparations, an application is now before Congress for a grant of money to commence a new Fort opposite to Fort Delaware, and for the means of increasing the defensive capacity of Fort Mifflin, as well as completing the barrack's accommodations of Fort Delaware. With respect to Lake Erie, Congress is also asked to grant a large sum of money for the purpose of providing defences at such points on the Northern Frontier as may require them."

This is a gratifying state of affairs, and will tend greatly to calm the fears of the timid. If war comes, Pennsylvania at least will be armed and ready for the conflict.

The report of the Commissioners, Messrs. Parke and Beltzhoover, of Pittsburgh, appointed some time since to visit the Pennsylvania troops then in Kentucky, has been received, and the result proves that the duties imposed upon them have been well and ably performed. The most important, as well as the most gratifying, result of this commission is that the officers and men have signed different rolls which amount in the aggregate to $22,000 per month. Under the late act of Congress, this money will be remitted to the respective families of the signers, by the Paymaster General. Gov. Curtin has written a letter to the Commissioners, thanking them, in behalf of the loyal people of Pennsylvania, and complimenting them for the faithful and able manner in which they performed their duties.

From Nassau, N. P.

NEW YORK, Dec. 25.—NASSAU, N. P., advices to December 11th state that the steamer Isabel arrived there on the 8th inst., and the Gordon on the 9th, with cotton from Charleston, having run the blockade. The steamer Gladiator had also arrived from Liverpool with fire arms and ammunition. All came in with the secession flag flying, and were warmly welcomed. It was rumored that the authorities of Nassau would not allow the Gladiator to land her fire arms. A brig from Liverpool, with a cargo of salt, had also arrived for the purpose of procuring a pilot to assist her in running the Southern blockade. The schooners Lady Adger, Caleb Stetson and E. W. Perry, had arrived from Philadelphia. The two latter, which were laden with coal, will not be allowed to land their cargo for war purposes, and were obliged to lay off the port.

An American steam gun boat had arrived off the bar on the 11th inst.; also a ship flying the British colors, but which was reported to be the Eliza Benzill from Havana, bound to Nassau for cotton.

The bark Marianna, from St. Thomas for India, was also in port.

Latest from Port Royal.

NEW YORK, Dec. 25.—The steamer Marion arrived here to-day, from Tybee Island on the 20th, via Port Royal harbor on the 21st.

She conveyed seven companies of the 7th Connecticut regiment and a large quantity of stores, etc., to Tybee Island; also General Wright and staff. While discharging her cargo opposite the light house, at Tybee Island, Fort Pulaski opened fire with shot and shell. One of the latter exploded when near by, without doing any damage.

Gen. Stevens, whose brigade had been reinforced by the 79th and part of the 45th Pennsylvania regiments, was expected to make an advance to seize a point on the Charleston and Savannah Railroad.

Gen. Wright will probably assume command on the Tybee. Six hundred of the New York 46th regiment were there before his arrival.

The steamer Vanderbilt and the bark Texas arrived at Port Royal on the 21st.

Sixteen vessels of the stone fleet were sunk off Charleston harbor.

From Fort Pickens.

NEW YORK, Dec. 26.—The steamship Baltic arrived to-day from Fort Pickens, where she landed the 75th New York regiment. She left Fort Pickens on the 19th, and Key West on the 22d.

The United States frigate Niagara was at Fort Pickens.

The gun boat Wissahicken left on the 17th, for Ship Island.

The steamer Richmond left Key West on the 21st, for New York, to repair her machinery.

Matters at Fort Pickens were unchanged.

Deserters from the rebel forces represent that great distress and discontent prevails among the troops.

The United States gunboat Iroquois has the pirate Sumter blockaded in the port of Cienfuegos.

The United States gunboat Flambeau was off the port of Nassau, N. P., where the privateer Isabel was in harbor.

Northern Property Confiscated, &c.

CHICAGO, Dec. 25.—The Memphis *Appeal* of the 19th says that property to the amount of $2,500,000 has been already confiscated by the sequestrators. This is only about one half of the amount of Northern property in our midst. Some reports have already been made of real estate and money, and others are to report.

The cost of taking the floating battery up the Mississippi was $120,000.

The Mississippi Legislature has a plan under consideration to advance $25 per bale on cotton. Propositions are also pending to charter banks based on cotton. A bank bill just passed, provides that banks shall receive State Treasury notes in payment of debts, and that the notes of banks shall be received for all public dues except Confederate war tax.

Affairs at Panama—English Schooner Captured—Two Rebel Agents Taken.

WASHINGTON, Dec. 26.—The flag officer of the Pacific squadron, writing from Panama, under date of Dec. 18th, says: all remains quiet at Panama and throughout the Isthmus. The recent recognition of the Mosquito Government, by the authorities of Panama, seems to have tranquillized the public mind, and produced a general feeling of security not experienced for many years past.

Dispatches from Commander Ridgely, cruising off the coast of Texas, have also been received, from which it appears that early in December he captured the English schooner Victoria, of seventy-two tons, from Point Isabel, with a clearance from the rebel authorities, having run the blockade. The vessel was sent to Key West. Seven of those on board took the oath of allegiance, and six were detained as enemies of the United States.

The schooner Eugenia Smith was also overhauled, but permitted to depart, no contraband articles being found on board. The persons of two rebel agents were, however, secured, namely: Thomas S. Rogers, of Texas, and Mr. Zachary, of New Orleans. The papers found on them clearly implicated them as rebel agents, seeking to make their way to Mexico, and from thence to other parts.

Arrival of Gen. Scott in New York.

NEW YORK, Dec. 26.—The steamship Arago, from Havre and Southampton, arrived at half-past five o'clock this evening. She brought full files of papers, but no mails. Her advices have been anticipated by the Niagara at Halifax. Gen. Scott is among the Arago's passengers.

Arrival of Col. Mulligan.

TRENTON, N. J., Dec. 26.—The brave Col. Mulligan, whose heroism is in everybody's mouth, arrived in this city last night with his family. He was visited by our State, military and civil functionaries.

From Stonington, Conn.

STONINGTON, CONN., Dec. 26.—A heavy cannonading has been heard all day in the direction of Gawer's Bay. A messenger from Fisher's Island reports a mysterious light, last night, in the vicinity.

Rebel Schooner Captured.

NEW YORK, Dec. 26.—The rebel schooner Rashion was captured by the United States sloop of war, Ethan Allen, on 25th of November, and sent into Key West.

Departure for Europe.

BOSTON, Dec. 26.—The steamer Europa sailed for Liverpool yesterday, and took out only £21,000 in specie.

Markets by Telegraph.

PHILADELPHIA, Dec. 26.—Noon.—Flour very dull; 1,000 bbls. extra sold at $6 00. Sales of rye flour at $4 and corn meal at $3. Wheat declined; sales 9,000 bush. at $1 31 for Penna. red, $1 34@1 35 for Southern red and $1 40@1 43 for white. Sales 1,000 bush. rye at 73c. Corn quiet at 56c. for old yellow and 55c. for new. Oats dull at 39@40c. Provisions very quiet; sales 4,000 bbls. mess pork and 2,000 bbls. mess beef were taken by the Government on private terms. Sales 3,000 tierces lard 8⅞c. Cotton nominal. Sugar and molasses firm. Rice firmer at 6¼@6¾c. Sales 1,000 bags Calcutta linseed at $1 49. Whisky firm at 20c.

NEW YORK, Dec. 26.—Noon.—Flour dull; 5,000 bbls sold. Wheat is firm; 30,000 bush sold at $1 25 for Chicago Spring, and $1 40 for Southern winter. Corn dull. Provisions are quiet. Whisky dull at 19½c.

Stocks are dull and unchanged; Chicago and Rock Island, 46⅞; Illinois Central R. R. 55; New York Central 84⅞; Hudson River R. R. 35⅞. Missouri 6s 38⅞.

CINCINNATI, Dec. 26—Evening.—Flour very dull at $3 00@$4 for superfine, and extra at $4@$4 50. Wheat declined 2c, clos