

The Postal History of the Shanghai Local Post Office

by Richard Frajola

Background Information on the early Shanghai Local Post Office (SLPO)

In 1863 the foreign community in Shanghai lacked adequate postal facilities and expected that British Hong Kong would establish a full service branch post office rather than only consulate or packet agent offices. However, as the Hong Kong Post Office's financial deficit made that improbable, the Shanghai Municipal Council decided to create its own local post office. A subcommittee of local merchants was appointed in May 1863 (David Reid of Reid, Evans, & Co., George F. Heard of Augustine Heard & Co. and Robert Bland of Smith, Kennedy & Co) designed a subscription-based system that allowed firms to pay for mail collection and distribution, while non-subscribers could use the service for a fee.

Initially, when the post office was established on July 13, 1863, the post office was designed to manage the collection and distribution of mail between Shanghai and Hong Kong. By extension the link to Hong Kong would give the Shanghai local post office connections to overseas Britons, residents of the various treaty ports as well as the rest of the vast service network reached from the Great Britain General Post Office in London.

The local post office in Shanghai used a subscription system, with the foreign-owned firms subscribing for 75 taels per year for outports and 50 taels for service within Shanghai, which included collection and distribution of all mail matter. Non-subscribers paid two cents (based on the Mexican silver dollar, equal to three candareens) per letter. The subcommittee ensured that the office was not a financial burden by arranging free carriage of mails by foreign steamer companies.

The municipal council soon realized that their postage rates for non-subscribers were in Mexican cents, causing an exchange rate loss, and switched to candareens, effectively increasing rates by one-third. In 1865 ten candareens (one *mace*, ten *fen*) was equal to one tenth of a tael, which was a unit of weight used to measure silver. Using the exchange rates given on the London exchange for taels to Mexican dollars shows that 63.65 candareens was equal to a Mexican dollar (which had a slightly higher silver content than the US dollar). When first provisionals were issued in 1865, the two candareens stamp had a value of almost exactly three cents. Exchange rates continued to fluctuate, leading to a switch back to cents in 1865 and eventually to Chinese copper cash in 1876.

The August 1865 Provisional Issue of SLPO Postage Stamps

On August 1, 1865 the local post office issued the provisional issue of stamps to alleviate the need of collecting small change for non-subscriber letters. As only non-subscribers were required to use stamps, postmarked examples are substantially scarcer than unused examples. Shortly after the August 1865 stamp issue postmaster W. I. Smith resigned and Alfred J. Adams was hired as the new postmaster. The "London And China Telegraph" issue of 10 October, 1865 reports under the Shanghai Municipal Council heading, *Reports Submitted and Approved at a Monthly Meeting of the Council, held August 7th, 1865* that:

Local Post Office - Postage stamps have been issued, and can be obtained at the local post-office. They have been availed of to a fair extent, but it remains with the agents of steamers to make this office pay. If, on the arrival of the steamers, the agents would as a rule send Chinese letters to the Post-office instead of allowing their compradores to distribute them, it would much assist in making the establishment self-supporting.

And, as general commentary, is a lengthy paragraph describing the August provisional issue:

The new local postage stamps are great curios, and should be bought up in quantity to send home for the illumination of postage stamp albums. There are four kinds, viz. two candareens in black, - four

*candareens in yellow - eight in green and sixteen in red. ... (long description of the stamp inscriptions)
.... In use, both scissors and paste are required, the one to clip, the other to effect adhesion. As we say,
local postage stamps are curious, figuratives of the times.*

A Branch Post Office for the Chinese

The "London And China Telegraph" issue of November 4, 1865 reports under the Shanghai Municipal Council heading, *Reports Submitted and Approved at a Monthly Meeting of the Council, held Sept 5th, 1865* that:

Local Post Office - A branch office has been established in the eastern suburb of the native city for the sale of postage stamps and collection of native correspondence. It is not yet sufficiently known to be much used by Chinese. A contract has been made with Paou Shun, by which, for the sum of \$600 per annum, he is allowed to collect and forward a portion of the Chinese postal matter.

This notice, apparently not previously noted in the philatelic press, certainly relates to Adams' desire to increase revenue by increasing the use of the local post by the Chinese community as already noted above.

The report of the Municipal Council Meeting of November 4, 1865 included:

The local post office rate for delivery of a letter has been lowered by one-third - Mexican cents now being charged instead of candareens as previously.

Stated more clearly, the two candareens local delivery rate had cost 3 (Mexican) cents previous to this change. As of that date, the same service cost 2 cents. This has been mis-construed in previous philatelic literature as meaning that the 1 candareen stamp was needed for the local rate. However, as there was no one candareen stamp available at this date, it is obvious that the two candareens stamp was now being sold for two Mexican cents (a one-third discount) .

The November 1865 Provisional Issue of SLPO Postage Stamps

The earliest reported dated postmark on the November issue of new denominations (1, 3, 6 and 12 candareens) is a one candareen dated December 2, 1865 (the 3ca is January 6, 1866; 6 candareens is January 13, 1866 and the 12 candareens is March 2, 1866). I suspect that in the interim between the announcement and the new denominations being prepared, that existing stocks of the August 1865 issue continued to be used and would likely have been have been sold at a discount.

On December 12, 1865, without consulting the foreign community at Ningpo, the Shanghai Municipal Council voted to establish a branch post office in the city. The Ningpo branch was met with public anger and closed down in 1868. In 1867, an agreement was reached between the British Post Office in Shanghai and the local post office, dividing up postal work on the China coast. A United States Post Office was also opened in Shanghai in 1867 in conjunction with Pacific Mail Steam Ship Company monthly service to Yokohama and onward to San Francisco.

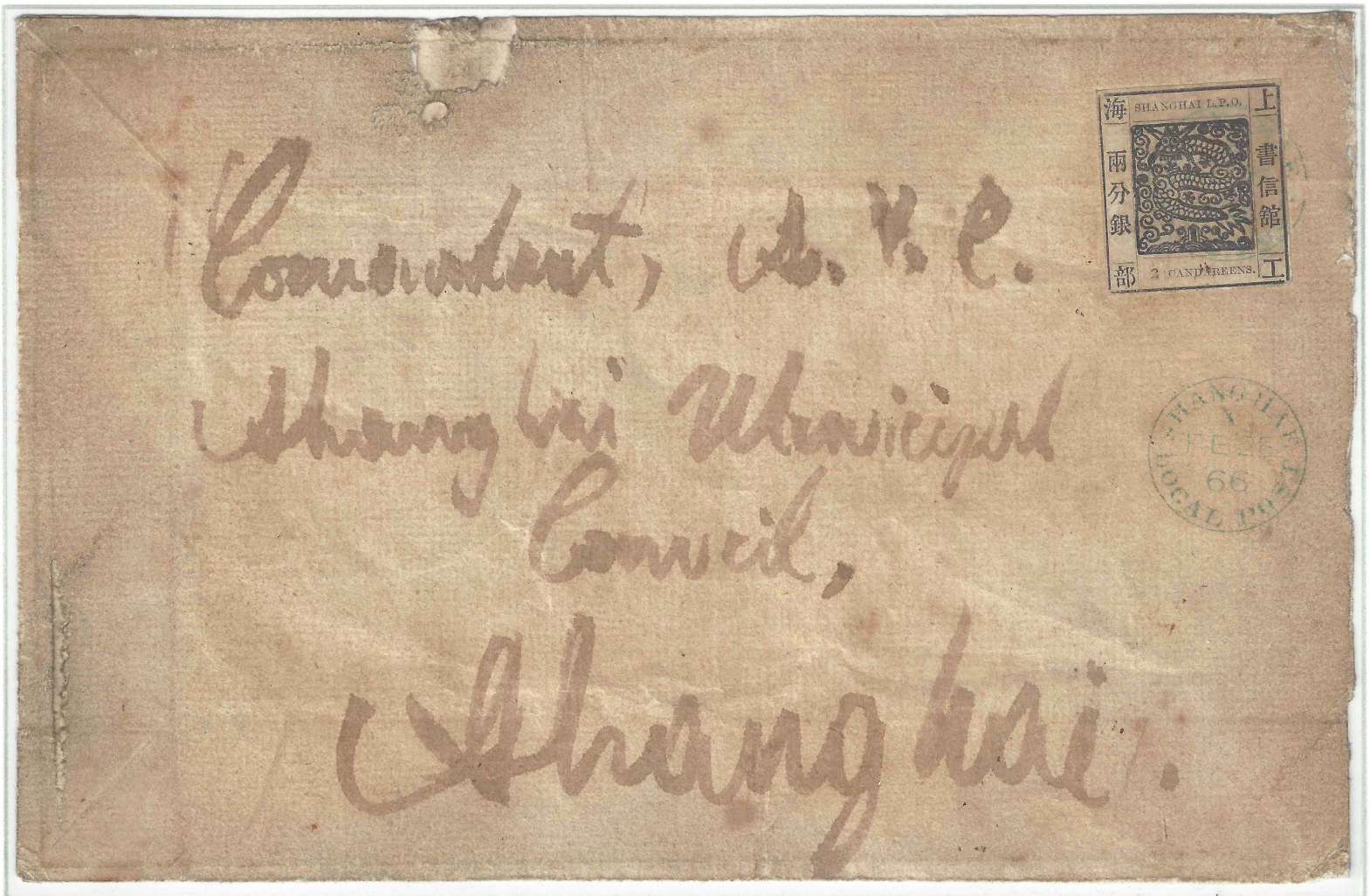
The Known Covers

At present I am aware of only three full covers bearing Shanghai Local Post Provisional Issue "large dragon" stamps. Fortune Wang illustrates and describes in Volume I of his series on the Shanghai Local Post, page 36, a wonderful combination cover with 2 candareens (printing #10) used with Hong Kong 8c stamp. It is the earliest known use and was posted in the Shanghai Local Post on 8 December 1865 with their blue datestamp tying both stamps. The cover, used to India, bears a British Agency Shanghai backstamp of the same day as well as Hong Kong transit of December 13, 1865. The other two known covers were found together with third cover, with adhesive torn away, in Europe in 2018. The four mounted exhibit pages follow - the two covers with stamps are shown first followed by pages with the stamp torn away and one of the enclosed maps.

The Shanghai local post handled two kinds of letter - covers from subscribers which did not need stamps and cover from non-subscribers which did need stamps. A subscription only paid for delivery within the foreign settlement of Shanghai. This cover, addressed in the brush hand of a Chinese writer, enclosed a map and report of the Volunteer Corp's policing patrols over the six bridges that crossed Soochow Creek into the foreign settlement in Shanghai.

In the Report of the Monthly Meeting of the Shanghai Municipal Council held on 5 September 1865 it was noted under the heading "Local Post Office" that:

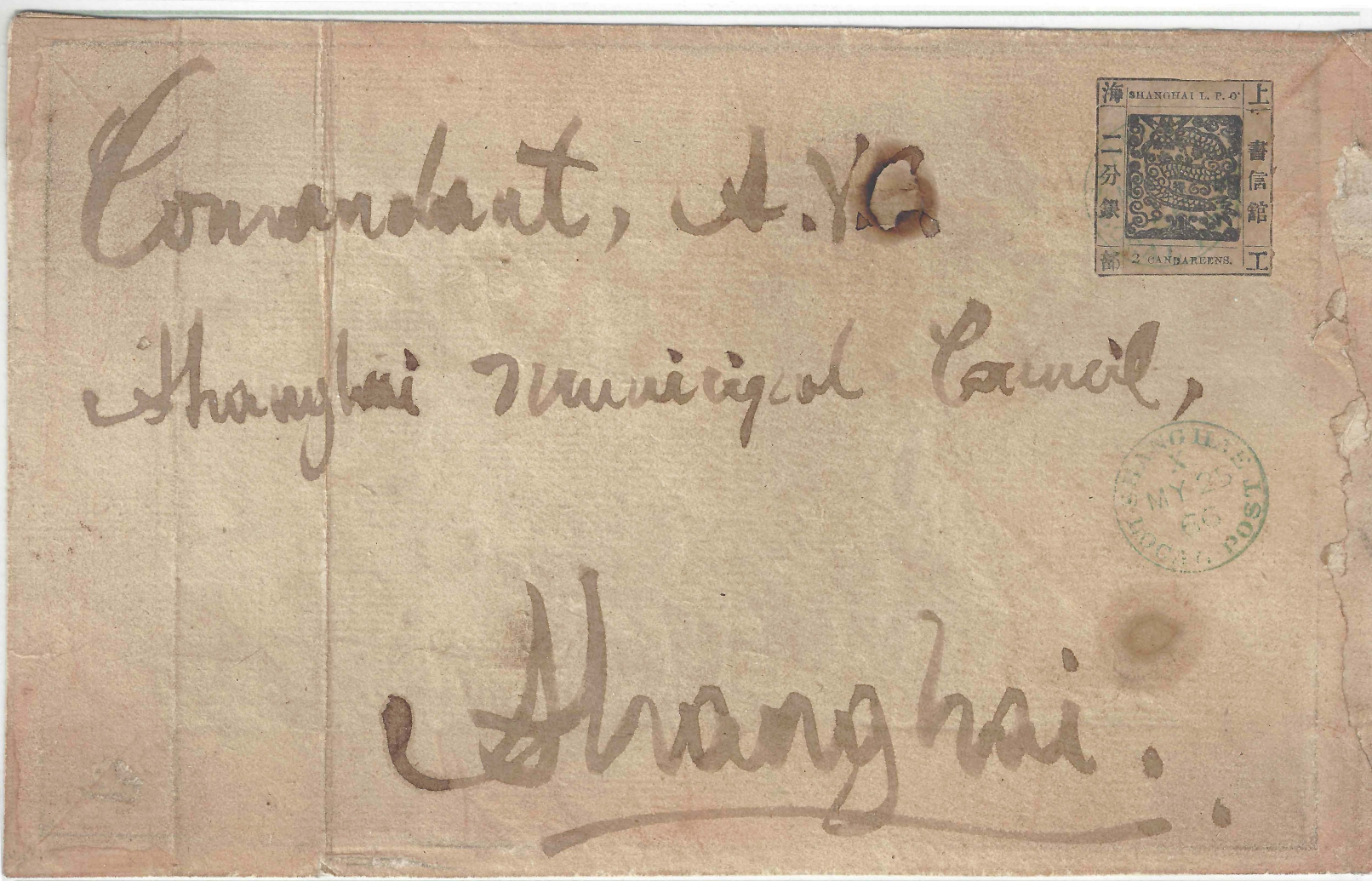
A branch office has been established in the eastern suburb of the native city (as opposed to the foreign settlement where the main Shanghai Local Post Office was located) for the sale of postage stamps and collection of native correspondence. A contract has been made with Paou Shun, for the sum of \$600 per annum, he is allowed to collect and forward a portion of the Chinese postal matter.



25 February 1866 Shanghai "town letter" prepaid 2 candareens (print #14) blue-green Shanghai Local Post postmark and cancel, use from a non-subscriber addressed to the Commandant of the SVC, Shanghai Municipal Council, Shanghai

probably deposited at the "Paou Shun" branch post office and subject to the 2 candareens rate

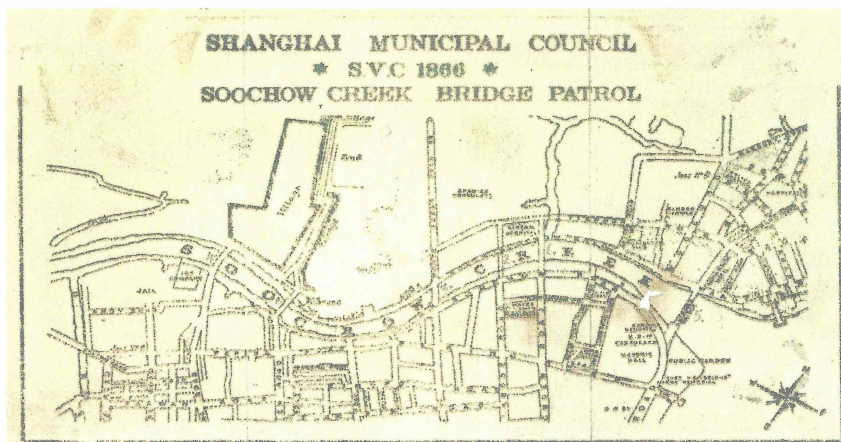
one of three known Shanghai Local Post large dragon stamps on cover



25 May 1866 cover from a non-subscriber to Shanghai, prepaid 2 candareens (print #41) blue-green Shanghai Local Post postmark and cancel addressed to the Commandant of the SVC, Shanghai Municipal Council, Shanghai

probably deposited at the "Paou Shun" branch post office and subject to the 2 candareens rate **one of three known uses of the Shanghai Local Post large dragon stamps on cover**

Reduced and cropped image of the original enclosure, dated on reverse, May 1866. The map is imprinted "Shanghai Municipal Council *SVC 1866 * Soochow Creek Bridge Patrol" and includes manuscript numbers on the bridges. Three covers from the original find accompanied five dated maps. One cover had a the stamp removed, two are shown.



Shanghai Local Post



The earliest dated cover from a find of three covers, two bearing two candareens large dragon stamps (prints #14 and #41), and five maps is shown below. The original enclosure in the cover is the 1865 map of the Soochow Creek Bridges shown overlaid on the cover in a cropped and reduced image. The reverse of the map is endorsed "Dec. 65 / R.20 S.V.C." in the same "brush" hand as the address of the cover. The maps probably each accompanied a written report of the Volunteer Corp patrols over the 6 bridges shown.

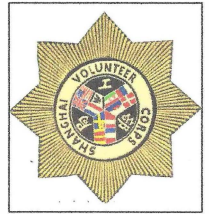


The "Shanghae Local Post" datestamp struck in blue-green is reported used as a dispatch postmark on covers dated between July 1864 and June 1865 and is later found used as a cancel on stamps.

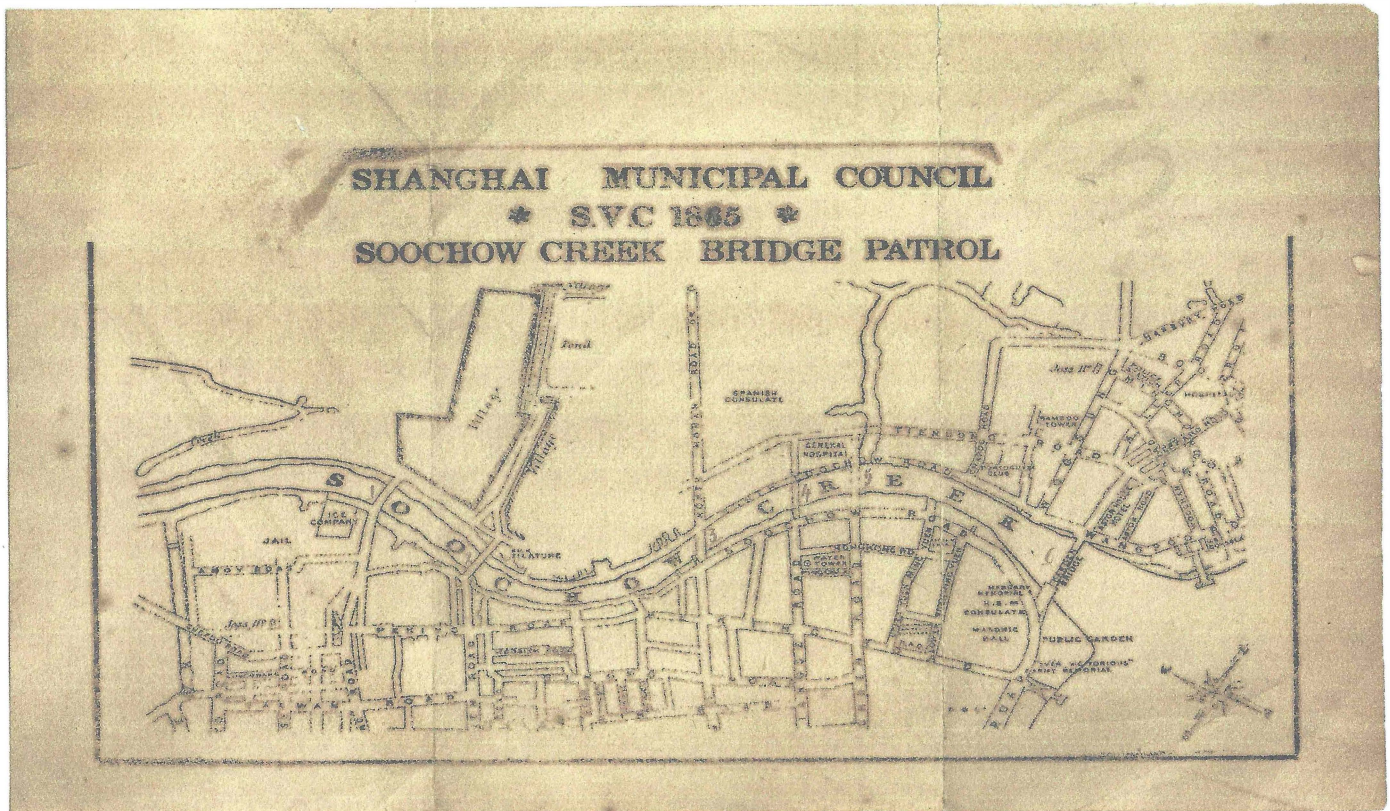


21 December 1865 Shanghai Local Post postmark and cancel, stamp torn away, to Commandant "Shanghai Municipal Council / * SVC 1865 */ Soochow Creek Bridge Patrol" map bridges numbered "1" to "6" by hand from left to right

Shanghai Local Post



The earliest dated enclosed map from the find is shown below. It originated in the December 1865 cover that has stamp torn away. The endorsement on reverse is in the same Chinese brush hand as the covers. The find includes 5 maps and 3 covers. These apparently accompanied reports of the Volunteer Corps reports to Commandant Hornby. The 5 maps are dated November and December 1865, as well as February, March and May 1866. The maps differ in the numbering of the bridges in pen, two include "Senior Patrol") The three covers include the cover below (December 1865 with stamp torn away) and uses with two candareens stamps dated February and May 1866.



"Shanghai Municipal Council / * SVC 1865 * / Soochow Creek Bridge Patrol" map
bridges numbered "1" to "6" by hand from left to right, (reduced image)
endorsed on reverse "Dec 5 / R.20. S.V.C. in a "brush" hand

