Table 4.—Annual Service Charges on Posts costing 1s. in Place. Interest at 5 per Cent.

Computed from the formula :—

$$\frac{CR\ (1 + R)^n}{(1 + R)^n - 1}$$ where C = final cost of pole in place, R = rate of interest (5 per cent. = 0·05), n = life of post in years.

Life in Years.	Annual Cost.	Life in Years.	Annual Cost.	Life in Years.	Annual Cost.
	s.		s.		s.
1	1·050	11	0·121	21	0·078
2	0·504	12	0·113	22	0·076
3	0·367	13	0·107	23	0·074
4	0·282	14	0·101	24	0·073
5	0·231	15	0·097	25	0·071
6	0·197	16	1·092	26	0·070
7	0·173	17	0·089	27	0·069
8	0·155	18	0·086	28	0·067
9	0·141	19	0·083	29	0·066
10	0·130	20	0·080	30	0·065

The annual service charge for a post costing 1s. 7d. in place is 0·097 × 2·6, equals 0·252s., or approximately 3d.

By estimating the initial costs and lives of the treated and untreated posts and determining their annual service charges a fair approximation of the economics of the problem may be obtained.

Example 3 : Ascertain if the treated *Eucalyptus ovata* post of the two previous examples is cheaper to use than a totara post costing 3s. with an estimated life of thirty years.

	Totara.	*E. ovata.*
	s. d.	s. d.
Cost of post	3 0	0 6
Cost of treatment	..	1 1
Cost of setting	1 0	1 0
Total cost	4 0	2 7
Life (years)	30	15
Annual service charge	0·065×4 = 0·26s.	0·097×2·6 = 0·25s.

The *Eucalyptus ovata* is thus slightly cheaper to use.

CONCLUSIONS.

Preservative treatment makes available for fencing purposes many timbers hitherto regarded as unsuitable for such work. Other farm timbers may also be treated with advantage, a variety of preservatives other than creosotes being available for this class of treatment. Owing to the lower costs of these preservatives the economy to be effected in the treatment of such timbers is generally greater than can be attained with fencing-material. A further article will be contributed dealing with these methods of treatment.