

Government News

The federal Environmental Protection Agency has approved a new pesticide to treat Dutch elm disease, which is responsible for the deaths of over 400,000 trees every year. The new pesticide, produced by Du Pont Co., Wilmington, Del., is called Lignasan BLP. The company's application for registration of Lignasan was filed with the EPA March 1. Ordinarily, approval of a new pesticide takes five to six months, but EPA administrator Russell Train said, "EPA moved quickly to review this compound because of its importance." The pesticide is injected into the tree trunk just above ground level. While Lignasan is much more effective than other Dutch elm pesticides, it is not a complete cure for the disease, the EPA said. It is effective in preventing Dutch elm disease and usually cures the problem in trees less than five percent damaged.

A new insecticide that interrupts the growth process of the gypsy moth and causes its premature death is now available for use, the U. S. Department of Agriculture has announced. The department said the pesticide, Dimilin, has been registered by the Environmental Protection Agency for use against the gypsy moth, which now infests 11 Northeast states. Dimilin acts on gypsy moths in the caterpillar stage. Normally, when a caterpillar is ready to shed its skin, the body begins to produce chitin, which becomes a part of the insect's outer layer, or shell. Dimilin interferes with chitin production and causes premature death.

Opposition from business groups and the Ford Administration will kill minimum wage legislation for 1976. The gut issue that dooms the bill -- labor's demand for a formula mandating automatic hikes in the wage floor in future years. As it has taken shape so far, the bill would provide not only a minimum wage increase from the current \$2.30 an hour to \$2.75 but also a formula triggering increases tied to the Bureau of Labor Statistics' index of average hourly earnings.

The federal Environmental Protection Agency's ban on production of pesticides containing mercury for use on golf course greens and seed treatment has been moved to Nov. 30. The decision to delay the ban from June 30 (which was also a delay from earlier in the year) will allow time for courts ruling on several lawsuits filed by mercury producers challenging the EPA's decision. Mercurial pesticides have been linked to nervous-system damage.

The U. S. Tax Court was called upon to decide whether sod is "an exhaustible natural resource" on which depletion deductions can be claimed, or whether producing sod is more akin to farming. Tax law does not permit farmers to claim deductions on exhaustion of farm land. As the Internal Revenue Service saw it, sod is merely "grass to which a certain amount of topsoil adheres." But Meyers Turf Farm persuaded the court that selling sod involves losing "more than a few incidental morsels of topsoil." He said his land could only take 16 cuttings of sod before the topsoil would give out. This steady exhaustion is exactly what depletion is meant to cover, the court decided. It is not known whether the IRS will appeal the decision.