

NEWS IN BRIEF

Follow Carmichael on LinkedIn

Keep up with current trade information and stay up to date with newsworthy updates from Carmichael International Service by following us on LinkedIn!

[Click here](#) to find us on LinkedIn.

Sections in Southern China are Facing Lockdowns Due to Covid-19 Outbreak

Authorities in the southern Chinese province of Guangdong are continuing to expand viral screening and lockdown measures in response to a Covid-19 variant outbreak which erupted from a dim sum cluster last week. State news agency Xinhua reported that 38 zones in the provincial capital of Guangzhou where the outbreak has been concentrated have been locked down, including the entire Zhongnan community in the city's Liwan district. Residences and work areas with infected cases, along 37 other exposed venues have been sealed. These latest measures follow drastic restrictions on outbound travel from the city intended to stop transmission routes of the variant first found in India. There has been a halting of mass vaccinations to focus more on priority groups and intensified efforts to run viral screenings on local residents. This variant has been particularly fast spreading.

USTR Announced and then Suspended 301 Duties for Digital Services Taxes

The Office of the U.S. Trade Representative (USTR) announced the final determination in the Section 301 investigations into the digital service taxes (DSTs) that have been adopted by 6 countries, Austria, India, Italy, Spain, Turkey, and the United Kingdom. The final determination imposes additional 301 duties on specified goods from these 6 countries. Each country has its own products list. The information on this notice can be found by clicking [here](#).

However, the USTR immediately suspended those additional duties for up to 180 days while multilateral negotiations and hearings continue. A Federal Register Notice with details is expected soon.

Unions File First Labor Complaint Under USMCA

Both U.S. and Mexican labor groups filed the first labor complaints under the U.S. Mexico Canada Agreement (USMCA) last week.

The complaint was filed jointly by the AFL-CIO and Service Employees International Union with the Sindicato Nacional Independiente de Trabajadores de Industrias y de Servicios Movimiento. The complaint asserts that workers at Tridonex were harassed and fired for trying to reorganize with the SNITIS. The complaint explains that the workers are trying to replace a "protection" union with one of their own choice. The complaints accuse Tridonex of withholding dues designated for SNITIS and that several employees supporting SNITIS have been fired. The petition is before the Interagency Labor Committee to determine if there is sufficient and credible evidence of a denial of rights.

A Large Bill is Being Worked on that Includes Extension of 301 Duty Exclusions and GSP Renewal

The Senate is working on a bill that will include extensions of some of the 301 exclusions that expired. The United States Innovation and Competition Act is a proposal comprised of bills reported out of several committees, including Commerce, Science, Transportation, Homeland Security, Banking, Housing, and Judiciary as well as others. Several amendments were approved like GSP and MTB by a 91-4 vote. This vote got Senate approval to move it to the floor, while some with controversy around labor were not approved. This is all part of a much broader bill that will go before the Senate for a vote for approval later this week. We have seen many titles of bills that we offered to be added to the full bill for a vote by the Senate. From there it will go to the House for reconciliation which may take weeks.

The full bill has not been assigned a number for the floor vote, but it is expected soon. This will allow access so that anyone can pull copies of the details of the language of the bill. We are trying to get details of the 301-duty exclusion language that we will share.



By **Todd Boice**, President