

The **UNITED STATES SENATE**
COMMITTEE on FINANCE
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Wyden Statement at Finance Committee Hearing on President Biden's 2021 Trade Agenda
As Prepared for Delivery

This morning the Finance Committee welcomes U.S. Trade Representative Tai for our annual hearing on the president's trade agenda. In 2021, just about every major trade policy needs to be based on a straightforward agenda: outcompeting China for jobs and economic growth. The reality is, too often, the Chinese government has feasted on weaknesses in the global trading system to the disadvantage of American workers.

The Finance Committee examined many of the key issues in a hearing last month. American factories and plants have shut down because of unfair subsidies and overproduction in China. American websites and digital service providers are blocked by the Great Firewall, and they watch as homegrown Chinese firms rip off their ideas and grow into tech giants intolerant of free speech. American workers cannot and must not ever have to compete against forced labor, which is an atrocity on its own regardless of what it means for international trade.

Bottom line, the U.S. has been playing catch-up ball in the competition with China for too long. It's going to take higher standards and stronger enforcement policies that move faster to protect American jobs and businesses. The old, slower approach – one that responds to China's rip-offs long after the damage is done – clearly hasn't worked.

This committee is working on bipartisan legislation addressing these challenges directly. There will be progress on that bill to announce in the days ahead, and I'm looking forward to discussing these issues with Ambassador Tai today.

Apropos of showing what tough, quick-moving trade enforcement looks like in practice, there are two brand new examples making news this week. The AFL-CIO announced Monday that it was bringing forward the first major complaint dealing with labor rights under the new USMCA Rapid Response Mechanism. And as Ambassador Tai will tell us about shortly, USTR announced just this morning that it has self-initiated the first Rapid Response action to protect workers' rights to organize and collectively bargain. Senator Brown and I proposed this new system because the Trump administration's new NAFTA deal wasn't strong enough on enforcement to protect American jobs.

The new petition and action announced this week are taking on classic labor violations in Mexico, such as firing or harassing workers who try to organize and failing to ensure a legitimate vote on bargaining agreements. That sort of abuse becomes a threat to workers everywhere, including in Oregon and

across the country, because it perpetuates the race to the bottom on worker rights. This is a new approach and a new day for labor rights enforcement. The committee will have questions on this issue today, as well as other areas of USMCA implementation.

USTR is also going to be leading negotiations dealing with intellectual property and the Covid-19 vaccines. Entering negotiations on an IP waiver was the right decision. The Biden administration is working hard to get shots into arms across America, and COVID-19 cases are dropping. However, new coronavirus variants will still pose a danger to Americans as long as there are terrible outbreaks around the world.

My view is, our system ought to include IP protections and exceptions that promote the common good, and it's unquestionably in the common good to squash this virus as quickly as possible all around the world.

The waiver negotiations are one important step, but the waiver alone will not unlock a vaccination miracle. There's a lot more to this challenge. That includes manufacturing capacity. It includes building out supply chains. It could also include helping make sure other countries can afford the vaccine.

So there's a lot for the committee and Ambassador Tai to discuss today on a wide range of topics. Again I'd like to welcome Ambassador Tai to the committee. I look forward to hearing her testimony and Q&A.

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