



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

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NZ Participates in USTR Section 301 Investigation into 'Forced Labour'

MARKET INTELLIGENCE REPORT

Report

On 12 March 2026, the United States Trade Representative (USTR) initiated an investigation into 60 economies (including New Zealand) related to the “failure to impose or effectively enforce a prohibition on the importation of goods produced with forced labor” – see the [Federal Register notice here](#). The investigation scope was determined by taking in the US’ top 60 trading partners. There is a second section 301 investigation run in parallel (and not involving New Zealand) into ‘Structural Excess Capacity and Production in Manufacturing Sectors’.

The investigation is focused on imports by those 60 economies (rather than domestic labour settings), alleging that the importation of goods made with forced labour may harm the US because its exports compete with goods whose prices are artificially low due to forced labour inputs.

What is a section 301 investigation?

An investigation under section 301(b) of the Trade Act 1974 examines whether the acts, policies, or practices of a foreign country are unreasonable or discriminatory and burden or restrict US commerce. Upon initiation of an investigation, the USTR must seek consultations with the economies whose acts, policies, or practices are under investigation.

A section 301 investigation must be completed within 12 months, but in this case the US has signalled that it will move more quickly. At the end of the investigation, USTR is authorised to (1) impose tariffs or other import restrictions, (2) withdraw or suspend trade agreement concessions, or (3) enter into a binding agreement with the foreign government to either cease the conduct in question or compensate the US.

New Zealand’s participation in the section 301 investigation

The New Zealand Government made a written public submission on the section 301 investigation which can be accessed [here](#). Five hundred submissions were also provided by other governments, industry groups, NGOs and other stake-holders and these can be found [here](#).

On 11 May 2026, New Zealand officials participated in confidential bilateral consultations

with USTR and other US Government officials as part of the investigation. New Zealand's case – which built on the written public submission – consisted of three parts, with the first two aimed at addressing the components of the section 301 investigation:

1. That New Zealand's acts, policies and processes show that we have taken action to address forced labour in New Zealand, in other countries, and through supply chains;
2. There is no evidence that New Zealand is harming US commerce through our forced labour settings (and a lack of a specific import ban on goods made with forced labour);
3. That New Zealand is not the cause of the broader problems the US is seeking to solve.

Next steps

Public statements from the US Administration suggest that tariffs will be levied on a broad range of countries following the conclusion of these section 301 investigations. It is not clear whether these tariffs will align with previous rates under the International Emergency Economic Powers Act (i.e. 15% on New Zealand), or if they will vary depending on the findings of the investigation.

Once USTR completes consultations with the economies under investigation we expect a report to be produced setting out USTR's findings and recommendations. Final decisions are likely to be announced after a short further public comment period.

Other tariff-related investigations, such as those under section 232 of the Trade Expansion Act 1962 will not be affected by the section 301 investigation. The current 10% tariff, levied for 150 days under section 122 of the Trade Act, is due to expire on July 24.

If you have any questions, please see our [FAQs here](#) and if you have further questions you can email us at us.exports@mfat.govt.nz

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