

needs. By 1960 Japan had more than 50 plants engaged in the production of antifriction bearings and parts whose collective production was far in excess of any home demand. Moreover, the Japanese Government, through subsidy and incentive programs, actively encourages production for export which compels manufacturers to purposely enlarge their plant capacity. Indeed, many of the Japanese bearing types and sizes, particularly in the miniature precision field, must be exported because of the small home demand for these products. The United States is the primary target area.

Available data shows that imports of bearings are increasing year by year. The volume doubles every 2 or 3 years. Total figures, though important, do not reveal the impact of the concentration of imports in product lines. When we look at the few details on imports which are available we find that imports already exceed exports for important segments of the industry. For instance:

Ball bearings represents about half of the U.S. antifriction bearing industry; 1967 imports of ball bearings exceeded exports by \$9.6 million. The same year U.S. production dropped 6 percent.

In 1967 ball bearing imports captured over 13 percent of the American market. In some important product lines imports have taken 30 to 50 percent.

Roller bearings have an overall export surplus. However, spherical roller bearing imports exceed exports. Imports of all roller increase each year.

POSITION OF THE ASSOCIATION

The AFBMA is acutely concerned not only with the adverse impact of the past operation of the trade program but with the future of the U.S. foreign trade policy. This industry has repeatedly stressed in every governmental forum that ever-increasing imports were damaging this critical industry which is so essential to our national security. In the face of the industry's strong recommendations against further tariff concessions, duties on bearings were cut 50 percent in the Kennedy round negotiations. The cumulative effect of this free-trade policy is intensifying the transfer of essential production from domestic to foreign sources—a transfer which had already begun before the Kennedy round. In 1967, imports of antifriction bearings were more than double those of 1964, which were more than double those of 1961—1961, \$10.1 million; 1964, \$24.3 million; and 1967, \$57.8 million.

THE STATISTICAL GAP

In 1964 the association urged the OEP to agree that increased imports of antifriction bearings were threatening the national security.

Neither the OEP, any other Government agency, nor the domestic industry had or could obtain the necessary data to evaluate the impact of the imports. U.S. import statistics on antifriction bearings are so rudimentary as to be valueless. Secretary of Commerce Connor, in a letter to the Director of the Office of Emergency Planning, stated:

In our attempt to make a determination of the validity of the industry's claims, we were hampered by the lack of detailed import figures.

The affected Government agencies must be given the statistical data that will enable them to evaluate safeguard legislation, particularly