

Summary

1. AFBMA appeared before the Tariff Commission and the Trade Information Committee in 1964 and at that time pointed out that the anti-friction bearing industry was vital to the United States, that imports of ball and roller bearings were rapidly increasing in volume and could be expected to increase even at the existing duty rates, that any cut in duty rates would have a serious impact on the industry and, therefore, on the national security of the United States.

Apparently, our negotiators chose to disregard the then identifiable serious invasion of the domestic market by imports and agreed to duty concessions of 50%, the maximum allowed under the delegated authority of the Trade Expansion Act.

The further increase in imports predicted in 1964 has occurred, a 138% jump in the next three years. Lower duty rates effective January 1, 1968, will no doubt attract even larger increases.

2. Exports of anti-friction bearings will shrink in future years. Factors causing their shrinkage are beyond control of the industry and are not likely to be affected by any tariff concessions of any foreign country. The trade deficit now existant as to ball bearings will spread to the whole industry, further compounding our balance of payments deficit.