The following communication, dated 2 August 1973, has been received from the Minister of Economic Affairs of the permanent mission of the United States.

My authorities have asked me to inform you that on 30 July 1973 the United States Tariff Commission issued a report on ball bearings after an investigation initiated last January on a petition filed by the Antifriction Bearing Manufacturers Association. Public hearings were held in April.

The Tariff Commission majority found that a domestic industry is being seriously injured by increased imports of ball bearings (except radial ball bearings having an outside diameter of under 9 mm - the so-called miniature bearings - and except ball bearings imported from Canada under the duty-free entry provided by the Automotive Products Trade Act of 1965) and that the rates of duty provided for in TSUS item 680.33 must be increased from 6 per cent to 12 per cent ad valorem and on ball bearings (except radial ball bearings having an outside diameter of under 9 mm) provided for in TSUS item 680.35 from 1.7 cents per pound plus 7½ per cent ad valorem to 3.4 cents per pound plus 15 per cent ad valorem, i.e., the rates that were in effect before the Kennedy Round must be restored.

They also found that imports of anti-friction balls provided for in item 680.30 and ball bearings, radial, having an outside diameter of under 9 mm provided for in item 680.35 are not causing or threatening serious injury. They made no finding with respect to anti-friction balls and ball bearings imported from Canada under the duty-free entry provided by the Automotive Products Trade Act of 1965, as provided for in items 680.31, 680.34 and 680.36 of the TSUS or parts provided for in 680.35 of the TSUS.

Agencies of the Executive Branch will review the foregoing report and formulate a recommendation to the President. Under Section 302 of the Trade Expansion Act, governing cases of affirmative findings of injury by the Tariff Commission, the President may:

- provide tariff adjustment or impose other import restrictions to prevent or remedy the serious injury found to exist;

./.
- authorize the firms and/or workers involved to request certification of eligibility for adjustment assistance;

- provide any combination of the foregoing actions;

- enter into orderly marketing agreements to limit United States imports of the article or articles causing or threatening to cause serious injury;

- take no action.