

[Act No. 2596., February 04, 1916]

THE INFANT INDUSTRY ACT.

By authority of the United States, be it enacted by the Philippine Legislature, that:

SECTION 1. This Act shall be known as "The Infant Industry Act." The purpose of the Act is to promote and encourage the agricultural, commercial and industrial interests of the Philippine Islands. It shall be the duty of the board hereinafter provided for to promote the purpose of this Act.

SEC. 2. There is hereby created a board to be known as the "New Industries Board," which shall consist of the Secretary of Commerce and Police as ex officio chairman, the Insular Auditor, the Attorney-General, and two members appointed by the Governor-General with the consent of the Upper House of the Philippine Legislature.

The appointive members of said board shall hold office at the pleasure of the Governor-General and shall serve without pay, but they shall be entitled to the actual and necessary expenses incurred by them in the performance of their duties.

SEC. 3. Whenever the said board shall report to the Governor-General that a new agricultural, commercial, or industrial enterprise is about to be undertaken and that it would serve the public good for the Government to aid such enterprise, the Governor-General may, in his discretion, guarantee, on behalf of the Insular Government, interest or dividends on the capital invested or to be invested in each enterprise for a period not to exceed five years and in an amount not to exceed five per cent per annum, if the net profits of such enterprise are less than three per cent: *Provided, however,* That only enterprises in which all or at least sixty per centum of the capital invested is Philippine capital shall be entitled to this guaranty.

SEC. 4. The computation of net profits shall be according to such regulations as the New Industries Board with the approval of the Governor-General shall prescribe and such preliminary and periodical audit shall be had as the said board with the approval of the Governor-General shall in such regulations establish; the same to be conducted by the Government and the expense thereof to be in all cases entirely borne by the beneficiary enterprise.

SEC. 5. There is hereby appropriated out of any funds not otherwise appropriated such sums as may be necessary from time to time to carry out the provisions hereof: *Provided, however,* That the total sum appropriated for the purposes of this Act shall not exceed one hundred thousand pesos.

SEC. 6. This Act shall take effect on its passage.

Enacted, February 4, 1916.
