

[Commonwealth Act No. 519, May 07, 1940]

AN ACT TO ESTABLISH THE NATIONAL TOBACCO CORPORATION

Be it enacted by the National Assembly of the Philippines:

SECTION 1. A corporation is created which shall be known as "National Tobacco Corporation," which shall be organized within six months after the date of the approval of this Act and shall exist for a term of thirty years from the said date. The Corporation shall have its main office in the City of Manila.

SEC. 2. The National Tobacco Corporation shall have the following objects:

- a. To promote the effective merchandising of leaf tobacco in the domestic and foreign markets so that those engaged in the tobacco industry will be placed on a basis of economic security;
- b. To establish and maintain such balance between production and consumption of leaf tobacco, and such marketing conditions therefor, as will insure the payment of living wages to tobacco farmers and laborers;
- c. To improve the living and economic condition of tobacco farmers and laborers by the gradual and effective correction of the inequalities existing in the industry; and
- d. To improve the quality of the various types and varieties of leaf tobacco grown in commercial scale on the Philippines.

SEC. 3. For carrying out the foregoing objectives, the National Tobacco Corporation shall have authority:

- a. To buy, sell, import, export, deal in, barter, exchange, and handle in every other manner, leaf tobacco and manufactures thereof;
- b. To own, lease, or operate trucks, railway lines, elevators, vessels, or any other means of land, water, or aerial transportation, and warehouses, structures, machineries, and equipment of every nature and kind for the storage, handling, utilization, and sale of tobacco and manufactures thereof;
- c. To provide credit facilities to tobacco planters directly or through credit cooperative associations or any other class of financial institutions;
- d. To promote, foster, and encourage the organization of cooperative associations among tobacco producers or dealers and, if conditions so warrant, to act as managers of said associations;
- e. To supply or help in (any manner in furnishing the necessary and adequate capital to cooperatives organized under existing law or rules and regulations promulgated thereunder; and
- f. To act as agent, broker, or commission merchant of producers cooperative associations or act as manufacturer's agent.

SEC 4. The National Tobacco Corporation shall be subject to the provisions of the Corporation Law in so far as the same are compatible with the provisions of this Act, and it shall enjoy the general powers mentioned in said Corporation Law in addition to those herein specified.