

[EXECUTIVE ORDER NO. 91, April 06, 1999]

CREATING A PRESIDENTIAL RETIREMENT INCOME COMMISSION

WHEREAS, there are at present various pension/retirement funds which contribute to the functioning of the current Philippine retirement income systems;

WHEREAS, it is necessary to integrate the different pension/retirement fund systems to make them more equitable, efficient, affordable and financially sound; and

WHEREAS, to pursue the integration there is a need for the creation of a government agency which will review the operation of the current Philippine retirement income system and make recommendations for reform and improvement of the pension fund systems.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Creation of a Presidential Retirement Income Commission. There is hereby created a Presidential Retirement Income Commission composed of not more than fifteen (15) members to be appointed by the President representing labor, management, private sector and the academe including representatives from the Department of Finance, the Social Security System, Government Service Insurance System, and the AFP Retirement and Separation Benefit System, Pag-Ibig, Department of Labor, Bureau of Internal Revenue, Department of Social Welfare and Development and the voluntary occupational pension system.

SEC. 2. Functions and Powers. The Commission shall have the following functions and powers:

a) Assess the operation of the current retirement income system to focus on the coverage of the major components of the system; the level of benefits the system is likely to produce for different workers retiring in the future; the projected cost of each element of the system and of the system as a whole; the impact of SSS minimum benefits; the adequacy of the current safety net programs of assistance to the elderly poor; and adequacy of funding for retirement and pension systems.

b) Develop a shared vision of the basic scope and structure of the retirement income system, to include desired targets for income replacement and aggregate cost for the system; appropriate division of responsibility between government and private institutions and between mandatory and voluntary programs in the operation of the retirement system; and the allocation of the system's costs;

c) Develop a more specific approaches in structuring the SSS and GSIS programs to provide a first pillar base for a more equitable, efficient, affordable, and incentive-compatible defined-benefit pension plan;