



Elderly Social Security Investment Program-Based on Indirect Premiums through the System of Value Added Tax (VAT): Projected Social Security Policy in Efforts Facing Period Demographic Turning Point 2030

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Abstract

Indonesian population structure starting from 2020 and 2030 are projected to produce what is called the demographic dividend. Demographic dividend is the demographic situation where the population structure dominated by productive age population and resulting in decreased the dependence rate. But according to the UN World Population Prospects, from 2035 to 2050, the rate of dependence could rise from 45.7% in 2035 become 47.93% in 2040, 50.83% in 2045 and even reached 53.37% in 2050. By the numbers this dependence, the proportion of the population that dominates is the elderly population (the population aged 60 years and older, according to Law No. 13 of 1998), in other words the number of dependence is more due to the load on the increasing number of elderly. Here then begin to happen what is called the demographic turning point when the productive population which originally were dominating the population structure during the demographic bonus turned into elderly age. Elderly people is one of the demographic categories of non-productive (in addition to children and adolescents), a condition of a person who has experienced a decreasing physical strength, so that they need others to support their life. In this case, social security for the elderly would be needed in future this demographic turning point. By dominating the elderly, the burden of the state to bear the social security people would be more severe, although there is social security with a mechanism for collecting premiums as BPJS employment in the form of pension and social insurance other private, but it can not be denied that the facility is still not really targeting the entire elderly there, even for current needs. So that to overcome this problem, the author proposes a program called 'Elderly Social Security Investment Program Based on Installment Payment through the System of Value Added Tax (VAT)'. This program is a projection of the social security program targeting the elderly during the turning point demography (2030 and above). The collecting mechanism on insurance installments using the principle of solidarity with the methods of collecting and distributing of indirect installments, so that the collecting mechanism is used the same system to VAT by adding a percentage of the amount of premiums according to a certain price range on the purchase of goods and services. The distribution mechanism of premiums managed by Investment Institute of Social Security Elderly both central and local levels under the authority of the Ministry of Social Affairs and the Directorate General of Taxation, Ministry of Finance with the target use of funds investing social security focuses on the needs of the elderly, among others were health, basic needs of everyday life, empowerment needs of the elderly, and so on. The concept of this program are considered necessary to solve the problems of domination number of elderly in the future because of this program considering the circumstances related as well as the needs of the elderly and the government's financial condition.

Keywords : demographic dividend, demographic turning point, elderly social policy