



A simple change in transport infrastructure thinking can have wide social effects

Improved transportation links help communities prosper financially, but there's an unexpected social dividend that can compound that prosperity—lower rates of smoking and drinking and higher levels of school attendance.

The Philippine government started its “Ro-Ro” policy in 2003 to link up islands and other remote areas in the archipelago nation with a system of roll-on, roll-off ferries.

Trucks loaded with goods are driven directly onto ferries and unloaded at remote communities, returning with goods from those communities to markets.

Driving trucks onto ferries cuts the time and cost of loading and unloading goods at ports.

The system shortens travel time between two of the major Philippine islands, Mindanao and Luzon, by 12 hours, cuts inter-island travel costs for passengers by about 30%, and shipping costs by about 40%.

Family incomes grew around the ports, with agricultural workers picking up non-farm work and farmers on islands around the ports able to increase their incomes through better access to markets and inputs to improve their farms. Altogether family incomes around the ports grew by about 4%.

The increased access to jobs and rising incomes had an unexpected social impact—less smoking and drinking and more kids in school.

More jobs meant people simply didn't have enough time for drinking and the smoking that went along with it—they were working.

Some of the increased income went to education; about 158,000 more children were in school than would have been without the transportation infrastructure, a decision by parents that will lead to long-term improvement of the workforce, laying the foundation for sustained growth.

This episode was based on a [working paper](#) by Kris Francisco, a research associate at the ADB Institute at the time of writing, and [Matthias Helble](#), senior economist and co-chair of the Research Department at ADB Institute.

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- <https://www.adb.org/publications/impact-improved-transport-connectivity-income-education-health-philippines>

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