Executive Summary

This report documents the changes in school enrolment that have recently occurred in the countries that participated in the Programme for International Student Assessment (PISA). It questions whether school-choice policies may have consequences on the sorting of students, by both ability and socio-economic status, and whether they may be associated with both the effectiveness and equity of education systems.

The results suggest that private schooling has increased in only a limited number of the countries that participated in PISA from 2000 to 2015. On the other hand, students were less frequently allocated to schools according to residence-based rules in 2015 than 15 years earlier. This may have intensified the competition between schools, and may also have resulted in greater sorting by ability, as more schools in 2015 than in 2000 reported that they consider prior academic achievement for admissions.

This report draws a comprehensive picture of sorting by ability and socio-economic factors across schools using a variety of segregation indicators in order to account for the diversity of the processes by which students are allocated to schools. While in most countries the indices of academic segregation amongst schools are higher than those measuring socio-economic segregation, the opposite is observed in several countries. These are also those countries where socio-economic differences in enrolment between private and public schools contribute, to a large extent, to the overall level of school segregation.

The organisation of the school system also affects the type of segregation. In some countries and economies, academic segregation of students is mainly due to the isolation of low achievers “left behind” in some schools, while in other systems, it reflects a significant concentration of high achievers in “elite” schools. These specifics may have distinct consequences for student performance.

One concern associated with increased school choice is the impact on the segregation of students by ability or socio-economic status. Empirical results in this volume suggest that weakening the link between place of residence and school allocation is related to a higher level of school segregation by social status. Some resilient disadvantaged students may have access to schools that would otherwise be inaccessible if a strict residence-based policy were applied. But that, in itself,
does not offset the social-sorting effects that result when it is mostly middle- or upper-class families that take advantage of school-choice policies. At the aggregate level, this may have a negative impact on equity but also, in some cases, on the general performance of the school system if low achievers are more harmed when they attend schools that concentrate low-achieving students than high achievers benefit from being in schools that concentrate high-achieving students. Panel estimates in this report show that an increase in the isolation of high achievers from other students is associated with lower scores in PISA amongst socio-economically disadvantaged students, without any significant impact on advantaged students.

How can school systems combine sufficient flexibility to fulfil the aspirations of many parents and provide enough incentives for schools to improve the performance of all students without reducing equity in education? There is no single solution to this dilemma.

However, policy makers can:

- **Provide the checks and balances that prevent choice from leading to more segregation**
  
  School policies may have to balance both the risk of increasing residential segregation with the risk of greater sorting of students by both ability and socio-economic status. Providing choice to parents without exacerbating segregation can be achieved by introducing specific criteria to the allocation of students across the set of local schools. Incentives can also be provided to schools for selecting disadvantaged students, for example, by weighting the funds received by the schools, depending on the socio-economic profile of their student populations.

- **Ensure that all parents can exercise their right to choose the school of their preference**
  
  Policies should provide targeted support to disadvantaged families, not only by offering financial assistance but also by promoting mobility through adequate public transportation. In order to avoid unfair competition between public and private schools, it should be required that all publicly funded providers adhere to the same regulations regarding tuition and admissions policies. Evidence shows that attending a school with a large proportion of high achievers does not always result in individual improvements in performance. Given those findings, school systems should ensure that all parents are provided with relevant information about the schools available to them, including a measure of the actual “value-added” of schools, meaning whether those schools succeed in improving the performance of all of their students.